

U.S. Department of Education
Office of Postsecondary Education
Washington, D.C. 20006-8501



*APPLICATION FOR GRANTS
UNDER THE DEVELOPING
HISPANIC-SERVING
INSTITUTIONS PROGRAM
(CFDA Number 84.031S)*

FORM APPROVED ED FORM 851S
OMB NO. 1840-0745, Expiration Date: March 31, 2003
Closing Date: March 3, 2003

TABLE OF CONTENTS

DEAR APPLICANT	1
INTRODUCTION.....	2
DESIGNATION AS AN ELIGIBLE INSTITUTION	2
TYPE OF AWARDS	2
ALLOWABLE ACTIVITIES	3
ENDOWMENTS	4
TIE-BREAKER MECHANISM	4
REPORTING REQUIREMENTS.....	5
FORMATTING INSTRUCTIONS.....	6
PAGE LIMITS	6
PAGE FORMAT.....	6
PARITY GUIDELINES.....	7
APPLICATION ORGANIZATION	8
INDIVIDUAL DEVELOPMENT GRANT OUTLINE	8
COOPERATIVE ARRANGEMENT DEVELOPMENT GRANT OUTLINE.....	9
INTERGOVERNMENTAL REVIEW.....	9
SUBMITTING THE APPLICATION	9
APPLICATION TRANSMITTAL INSTRUCTIONS	9
GRANT APPLICATION RECEIPT ACKNOWLEDGMENT.....	10
GRANT AND CONTRACT FUNDING INFORMATION.....	11
INDIVIDUAL DEVELOPMENT GRANT APPLICATION	12
INSTRUCTIONS.....	12
INSTITUTIONAL NARRATIVE.....	12
COMPREHENSIVE DEVELOPMENT PLAN (CDP) NARRATIVE	12
ACTIVITY DESCRIPTION.....	14
APPENDICES.....	18
COOPERATIVE ARRANGEMENT DEVELOPMENT GRANT APPLICATION	20
SUPPLEMENTAL INSTRUCTIONS	20
COORDINATING INSTITUTION	20
ACTIVITY NARRATIVE UNDER A COOPERATIVE ARRANGEMENT	21
BUDGET INFORMATION UNDER A COOPERATIVE ARRANGEMENT	21
JUSTIFICATION FOR FUNDING UNDER A COOPERATIVE ARRANGEMENT	22
LETTERS OF COMMITMENT.....	22
2003 CLOSING DATE NOTICE (CDN)	23
TITLE V PROGRAM STATUTE	36
TITLE V PROGRAM REGULATIONS	42
TITLE V ENDOWMENT REGULATIONS	49
TITLE V BRANCH CAMPUSES	51
TITLE V FY 2003 APPLICATION INSTRUCTIONS AND FORMS	
INSTRUCTIONS FOR FORM ED 424.....	54
SAMPLE PROJECT ABSTRACT	58
DEFINITIONS FOR FORM ED 424	59
ED FORM 424	62
DUAL SUBMISSION CERTIFICATION.....	64
INSTRUCTIONS FOR PARTICIPATING INSTITUTIONS IN A COOPERATIVE ARRANGEMENT.....	65
ED FORM 851S-1.....	66
INSTRUCTIONS FOR ACTIVITY OBJECTIVES AND PERFORMANCE INDICATORS.....	67
ED FORM 851S-2.....	68
INSTRUCTIONS AND IMPLEMENTATION STRATEGY AND TIMETABLE FORM	70

ED FORM 851S-3.....	71
INSTRUCTIONS AND ACTIVITY BUDGET FORM	73
ED FORM 851S-4.....	75
INSTRUCTIONS OTHER BUDGET INFORMATION FORM FOR ACTIVITY BUDGETS	77
ED FORM 851S-5.....	79
GENERAL INSTRUCTIONS AND SUMMARY BUDGET FORM ED 524	80
<i>Section A - Budget Summary</i>	80
<i>Section B - Budget Summary</i>	81
<i>Section C - Other Budget Information</i>	81
<i>SUPPLEMENTARY INSTRUCTIONS SUMMARY BUDGET FORM (ED 524)</i>	81
ED FORM 524 SECTION A	83
ED FORM 524 SECTION B	84
INSTRUCTIONS FOR OTHER BUDGET INFORMATION FORM FOR SUMMARY BUDGETS	85
ED FORM 851S-6	86
HISPANIC-SERVING INSTITUTIONS ASSURANCE INSTRUCTIONS	87
ED FORM 851S-7 HISPANIC-SERVING INSTITUTIONS ASSURANCE	89
ED FORM 851S-8 CERTIFICATION REGARDING COLLABORATIVE ARRANGEMENT	90
EXECUTIVE ORDER 12372 INTERGOVERNMENTAL STATE REVIEW OF FEDERAL PROGRAMS	91
STATE SINGLE POINTS OF CONTACT	92



UNITED STATES DEPARTMENT OF EDUCATION
WASHINGTON, D.C. 20006-8501

January 2003

Dear Applicant:

We are pleased to provide this application booklet for institutions of higher education that intend to apply for Fiscal Year (FY) 2003 grants under the Developing Hispanic-Serving Institutions Program (HSI). Grants are awarded to assist HSIs in improving and expanding their capacity to serve Hispanic students and other low-income students. Applicants may apply electronically.

An eligible HSI may submit an application for both an individual five-year development grant and as part of a cooperative arrangement. There will be no planning grants awarded in FY 2003. In order to receive a grant under Title V, an institution of higher education must have applied for and received "designation as an eligible institution." The Notice Inviting Applications for Designation as Eligible Institutions appeared in the Federal Register on October 31, 2002.

In order to receive a Title V grant, an institution must meet the specific statutory definition of an HSI. All applicants should review the regulatory selection criteria in 34 CFR Part 606, Sections 606.21 and 606.22, as well as the statutory definitions in Title V, Section 502. Both the statute and regulations are included in this booklet and can also be accessed from the Title V website: www.ed.gov/hsi. Applicants recommended for awards will be provided with a packet of assurances and certifications that must be completed prior to receipt of the award.

Applicants for a five-year development grant must provide detailed budget information for all five years. We will determine the funding level for each of the five years of the grant award at the time of the initial award. However, the funding for years two through five will be contingent on Congress appropriating sufficient program funds and on grantees providing evidence of substantial progress.

Because the 1998 Amendments to the HEA contain specific eligibility requirements for new grants and provide new authorized uses for grant funds, I urge you to carefully read all information contained in this application booklet before preparing your application. The Notice Inviting Applications for the HSI Program is printed in this booklet.

If you have questions, please contact the program staff at (202) 502-7777.

Sincerely,

Wilbert Bryant
Deputy Assistant Secretary
for Higher Education Programs

INTRODUCTION

The Developing Hispanic-Serving Institutions (HSI) Program assists eligible institutions of higher education (IHEs) in improving and expanding their capacity to serve Hispanic and low-income individuals.

DESIGNATION AS AN ELIGIBLE INSTITUTION

There are two (2) types of eligibility an institution must meet to apply for a Title V grant. First, an institution must submit a request for designation as an institution eligible for assistance. Applications for eligibility are due January 31, 2003 and can be accessed from:

<http://www.ed.gov/hsi>

Secondly, as part of the application, an institution must submit an assurance showing that the institution has an undergraduate full-time equivalent (FTE) enrollment consisting of at least 25 percent Hispanic students and that not less than 50 percent of the institution's undergraduate Hispanic students are low-income individuals.

Applicants should note that the Title V Program has a specific wait-out period. An institution that receives a five-year individual development grant under Title V is not eligible to receive an additional development grant until two years after the date on which the five-year grant terminates. In addition, an IHE cannot receive funds under Title V and Title III at the same time.

TYPE OF AWARDS

Two types of development grants - individual development grants and cooperative arrangement development grants - will be awarded in FY 2003. No planning grants will be awarded this year. Institutions can apply for and receive both an individual development grant and a cooperative arrangement grant at the same time.

Individual Development Grants

An individual development grant supports efforts to resolve institutional problems identified in the institution's comprehensive development plan (CDP). An institution can apply for and simultaneously receive both an individual development grant and a cooperative development grant. Development grants are for five years.

Priority is given to an application when the HSI has entered into or will enter into a collaborative arrangement with at least one local educational agency (LEA) or a community-based organization (CBO). Using funds other than Title V funds, the collaboration must work to reduce dropout rates and to improve academic achievement for Hispanic students and to increase the ability of Hispanic secondary school graduates to enroll in higher education.

Cooperative Arrangement Development Grants

A Title V development grant between 2 or more IHEs supports efforts to resolve institutional problems common to the IHEs. A cooperative arrangement enables IHEs to combine their resources to better achieve institutional goals.

Priority is given to an application when the HSI has entered into or will enter into a collaborative arrangement with at least one local educational agency (LEA) or a community-based organization (CBO). Using funds other than Title V funds, the collaboration must work to reduce dropout rates and to improve academic achievement for Hispanic students and to increase the ability of Hispanic secondary school graduates to enroll in higher education. Furthermore, priority is given to cooperative arrangements that are geographically and economically sound, or will benefit the applicant.

Within the Geographic and Economic absolute priority for cooperative arrangement development grants for the FY 2003 competition, we are particularly interested in applications that meet one or more of the following priorities:

Invitational Priority 1: Cooperative arrangements between two-year and four-year institution partners aiming to increase transfer and retention of Hispanic students.

Invitational Priority 2: Cooperative arrangements that develop and share technological resources in order to enhance the institution's partners' ability to serve the needs of low-income communities and/or minority populations, especially in rural areas.

Invitational Priority 3: Cooperative arrangements that include at least one HSI partner that does not currently have funding under the Title V HSI program.

Invitational Priority 4: Cooperative arrangements that involve institutional partners from more than one university or college system.

Applications that meet one or more of these invitational priorities **do not** receive a competitive or absolute preference over other applications.

TITLE V STATUTE AND PROGRAM REGULATIONS

It is important to familiarize yourself with Title V's statute and program regulations. You can find these in this booklet and on the Title V website at:

<http://www.ed.gov/hsi>

ALLOWABLE ACTIVITIES

One or more activities may be proposed within a development grant. The activities need not relate to one another. Separate activities can begin and end at different dates and the duration of the activities can be different. The types of activities and costs allowed and not allowed are listed in the program regulations. In addition, the cost principles in OMB Circular A-21 apply to institutions of higher education (IHEs).

Allowable activities include:

- Acquisition of scientific or laboratory equipment for educational purposes;
- Improvements including construction, maintenance or renovation of physical classrooms, libraries, laboratories, and other instructional facilities;
- Faculty development;

- Curriculum development and academic instruction;
- Acquisition of library and educational materials, including telecommunications program material;
- Student services;
- Funds and administrative management including acquisition of equipment for use in strengthening management of funds;
- Joint use of facilities, such as laboratories and libraries;
- Acquisition of equipment for use in strengthening management of funds;
- Establishment or improvement of a development office to enhance or increase contributions;
- Establishment or increase of endowment fund (*See the discussion below*);
- Establishment or improvement of facilities for Internet or other distance learning academic instruction capabilities, including acquisition of telecommunications technology equipment or other services;
- Establishment or improvement of teacher education programs that will qualify students to teach in elementary and secondary public schools;
- Establishment of community outreach programs for elementary and secondary students that develop academic skill and promote an interest to pursue postsecondary education;
- Increase the number of Hispanic and other underrepresented graduate and professional students by expanding courses and institutional resources; and,
- Other activities that contribute to the purposes of the program.

ENDOWMENTS

Up to 20 percent of the total 5-year development grant funds can be used for an endowment fund. There is a matching requirement that at least one dollar from non-federal sources be raised for every dollar of grant funds requested. In addition, the total amount of both grant funds and matching funds must be invested for 20 years. During that 20-year period, up to 50% of the cumulative income (appreciation, interest and dividends) earned on the investment may be spent. At the end of the 20 years, both the principal and the income may be spent. In preparing the application, the endowment should not be considered a separate activity if the endowment is not involved in the proposed Title V activities.

TIE-BREAKER MECHANISM

A tie-breaker is employed when two or more applications receive the same score and funds are insufficient to fund all applications. Under the tie-breaker mechanism, up to two points are awarded to applicants who show that the current market value of the endowment fund per FTE student or expenditures for library materials per FTE student is less than the average of comparable institutions. Another point is awarded to applicants who propose to carry out one or more specific allowable activities.

If a tie still remains after applying the first tie-breaker, an extended tie-breaker mechanism is used. Under the extended tie-breaker mechanism, a combined ranking of two-year and four-year institutions is calculated. Those institutions whose combined FTE averages of library expenditures and endowment values are the lowest are ranked highest, in strict numerical order.

REPORTING REQUIREMENTS

Performance Report

An institution that receives a development grant award must report on the progress that it makes in meeting the goals of the project and the timeline set forth in the grant application:

- First –Year 6-month Progress Report. October 1 to March 30 of the first year only. Due June 1 of the first year.
- 6-month Progress Reports. October 1 to March 30 of the second, third and fourth year only. Due June 1 of each year.
- Annual Performance Report. October 1 to September 30 due every year after the end of the fiscal year.
- Final Report. An institution that receives a grant award must submit a final performance report within 90 days after the completion of the project period or termination of the grant award.

The Government Performance and Results Act (GPRA)

The Government Performance and Results Act of 1993 (GPRA) is a straightforward statute that requires all federal agencies to manage their activities with attention to the consequences of those activities. Each agency is to clearly state what it intends to accomplish, identify the resources required, and periodically report its progress to the Congress. It is expected that the GPRA will contribute to improvements in accountability for the expenditures of public funds, improve Congressional decision- making through more objective information on the effectiveness of federal programs, and promote a new government focus on results, service delivery, and customer satisfaction.

As required by GPRA, the Department of Education has prepared a strategic plan for 1998-2002. This plan reflects the Department's priorities and integrates them with its mission and program authorities and describes how the Department will work to improve education for all children and adults in the U.S. The Department's goals, as listed in the plan, are:

Goal 1: Help all students reach challenging academic standards so that they are prepared for responsible citizenship, further learning, and productive employment.

Goal 2: Build a solid foundation for learning for all children.

Goal 3: Ensure access to postsecondary education and lifelong learning

Goal 4: Make the Department of Education a high performance organization by focusing on results, service quality, and customer satisfaction.

The Education Department's Strategic Plan includes specific goals for the Title V, Developing Hispanic-Serving Institutions Program. These are to expand educational opportunities for and improve the academic attainment of Hispanic students; and to expand and enhance the academic offerings, program quality, and institutional stability of Hispanic-Serving colleges.

The performance indicators for Title V, Developing Hispanic-Serving Institutions Program, are in the process of being developed. They will be incorporated into the annual report and will complement the Department's plan for meeting Goals 1 and 3.

FORMATTING INSTRUCTIONS

PAGE LIMITS

As part of the continuing effort to streamline grant applications, page limits will be strictly enforced. **Applications that exceed the page limit will be returned.**

The individual development grant application may not exceed 100 pages. The cover page (ED 424), the one page Project Abstract, the Dual-Submission Certificate, the Certification Regarding Collaborative Arrangement (ED 851S-8), and the Hispanic-Serving Institutions Assurance Form (ED 851S-7) are **not** included in the 100 page limit.

The cooperative arrangement grant application may not exceed 140 pages. The cover page (ED 424), the one page Project Abstract, the Dual-Submission Certificate, the Certification Regarding Collaborative Arrangement (ED 851S-8), the Cooperative Arrangement Form, (ED 851S-1), and the Hispanic-Serving Institutions Assurance Form (ED 851S-7) are **not** included in the 140 page limit.

We will reject your application if –

- You apply these standards and exceed the page limit; or
- You apply other standards and exceed the equivalent of the page limit.

PAGE FORMAT

- Type all narratives in font size 12, double-spaced (except for the project abstract) on plain white or off-white bond paper.
- Type on one side of the page only.
- Type the name of the institution and the state where it is located at the top of each page.
- Number the pages consecutively starting with the Table of Contents by placing a page number at the bottom right of each page.
- ED 424 will serve as the cover page for the application.
- A 'page' is 8.5" x 11" on one side only, with 1" margins top, bottom, right and left.
- You must double-space all text in the application narrative, including titles and headings. However, you may single space the abstract, footnotes, quotations, references, captions, forms (including the ED Forms), and tables. In addition you can single space and use smaller fonts for clarity in charts, figures, and graphs.
- For the narrative component, your application should consist of the number and text of each selection criterion followed by the narrative. The text of the selection criterion, if included, does not count against any page limitation.

PARITY GUIDELINES BETWEEN PAPER AND ELECTRONIC APPLICATIONS

The Department of Education (ED) allows applicants to use an Internet-based electronic system for submitting applications. This competition is among those other Department of Education programs that have an electronic submission option available to all applicants. The system, called e-APPLICATION, formerly e-GAPS (Electronic Grant Application Package System), allows an applicant to submit a grant application to ED electronically,

using a current version of the applicant's Internet browser. To see e-APPLICATION visit the following address:

<http://e-grants.ed.gov>

In an effort to ensure parity and a similar look between applications transmitted electronically and applications submitted in conventional paper form, e-APPLICATION has an impact on all applicants under this competition. Users of e-APPLICATION, a data driven system, will be entering data on-line while completing their applications. This will be more interactive than just e-mailing a soft copy of a grant application to us. If you submit an application electronically, the data you enter on-line will go into a database and ultimately will be accessible in electronic form to our reviewers.

To help ensure parity and a similar look between electronic and paper copies of grant applications, we are asking each applicant that submits a paper application to adhere to the guidelines established in the section on "Page Limits."

APPLICATION ORGANIZATION

INDIVIDUAL DEVELOPMENT GRANT OUTLINE

Please organize your application materials in the following order:

1. Cover page – Application for Federal Education Assistance Form (ED 424)
2. Project Abstract (not included in page limit)
3. Table of Contents
4. Institutional Narrative
5. Comprehensive Development Plan Narrative, including:
 - Analysis of Strengths, Weaknesses and Significant Problems and Description of the Analysis Process
 - Institutional Goals
 - Institutional Objectives
 - Institutionalizing Practices and Improvements
6. Proposed Activity Description including:
 - Objectives and Performance Indicators Form (ED 851S-2)
 - Narrative describing the activity objectives as related to the CDP problems
 - Implementation Strategy and Timetable Form (ED 851S-3)
 - Narrative describing the rationale for the Implementation Strategy
 - Narrative regarding Key Personnel
 - Positions Descriptions/Resumes of Key Personnel
 - Activity Budget Form (ED 851S-4)
 - Other Budget Information Form (ED 851S-5)
7. If there is more than one activity, repeat item 6 above **for each activity**.
8. Project Management and Evaluation Plan Description including:
 - Narrative regarding Key Personnel
 - Project Management Narrative
 - Project Evaluation Narrative
 - Activity Budget Form (ED 851S-4)
 - Other Budget Information Form (ED 851S-5)
9. Summary Budget Form (ED 524)
10. Other Budget Information Form for Summary Budget (ED 851S-6)
11. Appendices
 - Five Year Plan – For Improving the Assistance Provided by the HSI to Hispanic and Other Low-Income Students
 - Ranking of activities
 - GEPA Narrative
 - Prior HSI Program Support
 - Letters of Commitment from partner institutions (**for cooperative arrangement proposals only**)
 - Cooperative Arrangement Form (ED 851S-1) (**for cooperative arrangement proposals only**)
 - Dual-submission Certificate
 - Certification regarding Collaborative Agreements (ED 851S-8)
 - Hispanic-Serving Institutions Assurance Form (ED 851S-7)

COOPERATIVE ARRANGEMENT DEVELOPMENT GRANT OUTLINE

Submit the application with the same materials in the same order specified in 1-11 for the Individual Development Grant above with the following addition:

Immediately after the "Institutional Narrative" section (item 4) insert the narrative for the "Justification for Funding under a Cooperative Arrangement."

Keep in mind that the page limit for cooperative arrangement applications is 140 pages.

EXECUTIVE ORDER 12372 - INTERGOVERNMENTAL REVIEW

The HSI Program is subject to Executive Order 12372, Intergovernmental Review of Federal Programs. Included in this booklet starting on page 91 is a listing of the States Single Point of Contact for intergovernmental review. If your State is not listed, it does not require intergovernmental review, and you do not need to do anything. If your State is listed, contact the person identified by your State to find out the procedure the institution must follow for getting State review of your application.

SUBMITTING THE APPLICATION

Submit the following to the Application Control Center in accordance with the "Application Transmittal Instructions" below:

Three copies of the application:

- One **unbound** copy of the complete application with original signatures.
- Two **bound** copies of the complete application (do not use 3-ring binders).

Although only 3 hardcopies of the application are required, **voluntary submission of a fourth copy is encouraged** in order to expedite the evaluation of applications.

Only the Application Control Center may accept applications for Department of Education grants. Do not send your application to any other government official or office. The Application Control Center will acknowledge receipt of the application by sending the institution a post card, including a project number assigned to the application, e.g., PO31S555. However, the program office suggests that you include a return receipt for your own tracking purposes.

APPLICATION TRANSMITTAL INSTRUCTIONS

The application must be postmarked or hand delivered on or before the closing date of the competition.

Applications Sent by Mail

An application sent by mail must be addressed to the U.S. Department of Education, Application Control Center room 3633, Attention: CFDA 84.031S, 7th and D Street, S.W., Washington, D.C. 20202-4725.

You must show one of the following as proof of mailing:

- (1) A legibly dated U.S. Postal Service Postmark.
- (2) A legible mail receipt with the date of mailing stamped by the U.S. Postal Service.

- (3) A dated shipping label, invoice, or receipt from a commercial carrier.
- (4) Any other proof of mailing acceptable to the U.S. Secretary of Education.

If an application is sent through the U.S. Postal Service, the Secretary does not accept either of the following as proof of mailing:

- (1) A private metered postmark or
- (2) A mail receipt that is not dated by the U.S. Postal Service.

An applicant should note that the U.S. Postal Service does not uniformly provide a dated postmark. Before relying on this method, an applicant should check with its local post office. An applicant is encouraged to use registered or at least first-class mail. Each late applicant will be notified that its application will not be considered.

Applications Delivered by Hand/Courier Service

An application that is hand delivered must be taken to the U.S. Department of Education, Application Control Center, Room 3633, General Services Administration National Capital Region, 7th and D Streets, S.W., Washington, D.C. 20202-4725.

- The Application Control Center will accept deliveries between 8:00 a.m., and 4:00 p.m. (Washington, D.C. time) daily, except Saturdays, Sundays, and Federal holidays.
- Individuals delivering applications must use the D Street Entrance. Proper identification is necessary to enter the building.
- In order for an application sent through a Courier Service to be considered timely, the Courier Service must be in receipt of the application on or before the closing date.

Applications Submitted Electronically

You must submit your grant application through the Internet using the software provided on the e-Grants Web site (<http://e-grants.ed.gov>) by 4:30 p.m. (Washington, DC time) on the deadline date.

The regular hours of operation of the e-Grants Web site are 6:00 a.m. until 12:00 midnight (Washington, DC time) Monday – Friday and 6:00 a.m. until 7:00 p.m. Saturdays. The system is unavailable on the second Saturday of every month, Sundays, and Federal holidays. Please note that on Wednesdays the Web site is closed for maintenance at 7:00 p.m. (Washington, DC time).

Note: If you submit your application through the Internet via the e-Grants Web site, you will receive an automatic acknowledgment when we receive your application.

GRANT APPLICATION RECEIPT ACKNOWLEDGMENT

If you fail to receive the notification of application receipt within fifteen (15) days from the closing date, call:

U.S. Department of Education
Application Control Center
(202) 708-9493

GRANT AND CONTRACT FUNDING INFORMATION

The Department of Education provides information about grant and contract opportunities electronically in several ways:

ED Internet Home Page	http://www.ed.gov/ Gopher://gopher.ed.gov/	(WWW address) (Gopher address)
OCFO Web Internet Page	http://ocfo.ed.gov/	(WWW address)

PAPERWORK BURDEN STATEMENT

According to the paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1840-0114. The time required to complete this information collection is estimated to average 85 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments or concerns regarding the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, D.C. 20202-4651. If you have comments or concerns regarding the status of your individual submission of this form, write directly to: Institutional Development and Undergraduate Education Service, Office of Postsecondary Education, U.S. Department of Education, 1990 K Street NW, Washington, D.C. 20006-8501.

INDIVIDUAL DEVELOPMENT GRANT APPLICATION

INSTRUCTIONS

This section describes the content that should be included for each part your application. The questions that will be used to evaluate the quality of your proposal and the maximum points allowable for each section are also presented.

INSTITUTIONAL NARRATIVE

In the institutional narrative, familiarize the reader with your institution and provide a frame of reference for the CDP and the activity(ies) presented in the application. Provide a concise description of important, distinguishing features of your institution. For cooperative arrangement applications, you should introduce all the institutions involved. Please use tables and charts as appropriate. Include information such as:

- The Mission Statement
- Control and type of institution: public/private; 2-year/4-year.
- Types of programs offered: liberal arts, technical, etc.
- Student body characteristics: the number of students either full-time equivalent or headcount, and the racial, ethnic, age, and gender breakdown.
NOTE: When reporting racial and ethnic data, the applicant must adhere to the Federal standards for the classification of race and ethnicity, as published in the Federal Register on October 30, 1997(62 Federal Register 58781-58790).
- Faculty characteristics: The number of full-time and adjunct faculty and the faculty-to-student ratio.
- Economic and geographic information

COMPREHENSIVE DEVELOPMENT PLAN (CDP) NARRATIVE

Review the specific program regulations that describe the CDP, its content, and evaluation. (See 34 CFR 606.8 and 606.22). For cooperative arrangements, you will be providing one CDP that incorporates all the partners. The CDP narrative is worth 30 points and is broken down into 4 sections.

Use the following headings and provide the information in the order delineated:

1. Analysis of institutional strengths, weaknesses, and significant problems, description of analysis process, and major institutional constituencies involvement (12 points)

Reader's Question: To what extent does the institution clearly and comprehensively analyze the strengths, weaknesses, and significant problems of its academic programs, institutional management, and fiscal stability? To what extent does the information about the strengths, weaknesses, and significant problems result from a process that involved major constituencies of the institution?

List your strengths, weaknesses and significant problems as related to:

1. Academic programs,
2. Institutional management, and
3. Fiscal stability

You can use the results from a recent accreditation or long-range planning process that has taken place on your campus. From the list of institutional problems, analyze the problems that will be dealt with through your proposed Title V activities. Note: For Cooperative Arrangement proposals, you should combine the information from each partner institution into one overall CDP, providing enough information on each partner to address the selection criteria.

To show that you have analyzed your institution's weaknesses and problems you can use data, reports, evaluations, or studies. It is important that you differentiate between a problem of national scope and the particular problems existing at your institution. While national statistics may provide useful information, you want to focus on presenting pertinent information about your specific institution and its community. Your description and analysis of institutional weaknesses and significant problems should be sufficient to answer questions such as:

- How critical is the weakness or problem relative to the consequence of not taking immediate action to resolve it?
- What is the probable cause of the weakness or problem?
- Has enough analysis been done concerning the nature and extent of the weakness or problem to suggest the probable solution?

One way to state a problem is to indicate what is "too high" or what is "too low." For example: "The percentage of freshmen students who fail 4 gateway courses is too high." Avoid problem statements that declare the problem as "the lack of " or " the need for" the very solution that you proposed for funding. As an example: "The problem with our academic programs is that there is a lack of student services outside the classroom. Thus, we propose an activity to establish those student services." This type of problem statement usually contains circular reasoning. Because goods or services do not exist does not necessarily justify a need for them. In the example given, the problem may instead be that "too high a percentage of students fail several key, gateway courses." And the solution, chosen from among several alternatives, may be "to develop certain types of student services outside the classroom."

Describe how the development of the CDP involved major constituencies (e.g., faculty, staff, students, community, industry, or the like) of your institution.

2. Institutional goals (5 points)

Reader's Question: To what extent are the goals for the institution's academic programs, institutional management, and fiscal stability realistic and based on comprehensive analysis?

State the 5-year institutional goals that will be achieved through your Title V proposed activities, for example, "Increase the institution's capacity to support increased enrollment."

3. Institutional objectives (5 points)

Reader's Question: To what extent are the objectives in the plan measurable and related to the institution's goals? To what extent will the objectives, if the institution achieves them, contribute to the growth and self-sufficiency of the institution?

Provide measurable objectives to show how each of the identified goals will be reached, for example, "Increase the percent of first-time college degree-seeking students returning the next semester from 56% to 61%." Include a timeframe for achieving each objective that does not exceed the five-year project period.

4. Institutionalizing practices and improvements (8 points)

Reader's Question: To what extent does the plan clearly and comprehensively describe the methods and resources the institution will use to institutionalize practices and improvements developed under the project, including in particular, how operational costs for personnel, maintenance, and upgrades of equipment will be paid with institutional resources?

Describe the realistic methods you will use to ensure that you will be able to integrate practices and improvements developed under the grant project with institutional operations during and after the grant period, if appropriate.

ACTIVITY DESCRIPTION

Follow this format for each activity you are proposing:

1. Activity Objectives (5 points)

Reader's Question: To what extent are the objectives for each activity realistic and defined in terms of measurable results?

- Introduce the activity in a short narrative including the activity title. If you are requesting funds for more than one activity, you may propose different starting and ending dates and may vary the duration of each activity.
- Use the Activity Objectives and Performance Indicators Form (ED FORM 851S-2) to state the annual objectives for the activity. Your peer reviewers will be determining whether the objectives and performance indicators are realistic, measurable, and directly related to the institutional goals outlined in the CDP.
- Avoid identifying process objectives (e.g., "To establish a college-wide committee" - whose measurement is "the committee was formed."). If the objective begins with words such as "to provide," "to develop," or "to establish," you are likely to be describing a process or a task rather than an outcome objective. Process objectives are identified under the Implementation Strategy section.

2. Narrative relating the activity objectives to the institutional goals (5 points)

Reader's Question: To what extent are the objectives for each activity related to the problems to be solved and to the goals of the comprehensive development plan?

In narrative form, describe how meeting the objectives of each activity will address or solve a problem identified in the CDP. Indicate how the objectives are directly related to your institutional goals.

3. Implementation Strategy and Timetable in Chart Form (15 points)

Using the Implementation Strategy and Timetable Form (page 70), chart a sequential implementation strategy to meet the objectives proposed for each year for which funds are requested. Chart the five years using the budget period of October 1 to September 30. There are two parts to this section:

a. Comprehensive description (10 points)

Reader's Question: To what extent is the implementation strategy for each activity comprehensive?

Describe in a comprehensive, sequential, and clear manner who will do what, and how it will be done to meet the objectives of each activity. Identify by job title the primary participants who will carry out the tasks to meet the objectives. Finally, describe on the form the methods that project personnel will use to perform the tasks and the expected results of performing the tasks.

b. Timetables (5 points)

Reader's Question: To what extent is the timetable for each activity realistic and likely to be attained?

Provide realistic time frames for completing tasks.

4. Narrative of Implementation Strategy Rationale (10 points)

Reader's Question: To what extent is the rationale for the implementation strategy for each activity clearly described and supported by the results of relevant studies or projects?

Provide a narrative explaining why the institution chose the specific method for implementing the activity. Explain how it was determined that this method would be most effective. Cite relevant studies or projects that the institution reviewed, experts consulted, etc.

5. Key Personnel (10 points)

Key personnel are the people funded under the grant who bear a substantive responsibility for developing and achieving the objectives of the project. Key personnel may include a position not funded under the grant but funded with institutional funds (e.g., activity director). Project Director and Activity Coordinator are considered key personnel. This section is broken down into two parts:

a. Position description (7 points)

Reader's Question: To what extent are the past experience and training of key professional personnel directly related to the stated activity objectives?

Provide a position description for any key position(s) within an activity. The position description should include the required qualifications – education, experience, training – and the specific duties of the position. The duties should be directly related to the stated purposes and objectives of the activity.

b. Time commitment (3 points)

Reader's Question: To what extent is the time commitment of key personnel realistic?

Indicate in the position description the percentage of time each key person will commit to the project. The time commitment should be realistic relative to the duties to be performed. Also note the percentage of time each key person will commit to the activity on the Activity Budget Form (ED FORM 851S-4).

Note: The time commitment of Directors at currently existing projects varies considerably. For example, a project focused on developing a management information system may have a Director who is the Director of Technology in the ordinary hierarchy of the college. He or she may allot 10% time to coordinate the project and the college may pay the 10%. On the other hand, a Director at a project focused on faculty development might be a newly hired Instructional Developer on 50% time commitment paid for with Title V funds. Carefully think through the management structure and time commitment that will work best at your institution and specify the reasons for your choice.

For any individual already designated for a key position, include a resume at the end of the key personnel narrative. The resumes of key personnel should reflect the person's education, training, and experience as related to the objectives of the activity. Resumes should be limited to 1 page.

6. Project Management Plan Narrative (10 points)

The project management plan is an integral part of the project. Two aspects of the project management plan are evaluated.

a. Procedures (5 points)

Reader's Question: To what extent are the procedures for managing the project likely to ensure that the institution will efficiently and effectively implement the project?

Describe the procedures the Project Director will use to manage and monitor project progress. Also describe the procedures the Director will use to provide information to key administrators so that they can integrate Title V project activities with related, on-going institutional activities.

b. Authority (5 points)

Reader's Question: To what extent do the project coordinator and activity director(s) have sufficient authority to conduct the project effectively, including access to the president or chief executive officer?

Describe the administrative authority of the Project Director over the Activity Directors. The Activity Director is normally the primary person responsible for accomplishing a specific activity's objectives. Describe the administrative authority of the Activity Director over subordinates. Chart the lines of authority of the Project Director to key institutional decision-makers, including the president. The easiest way to do this is with an organizational chart.

NOTE: Do not describe the fiscal and accounting procedures in the narrative.

7. Evaluation Plan Narrative (10 points)

The evaluation plan should produce a valid assessment of the implementation strategies. It should also result in annual, quantifiable evidence of the attainment of objectives for each activity and of the goals in the CDP. Two aspects of the evaluation plan are assessed.

a. Data Collection (5 points)

Reader's Question: To what extent are the data elements and data collection procedures clearly described and appropriate to measure the attainment of activity objectives and to measure the success of the project in achieving the goals of the comprehensive development plan?

Identify the data elements and data collection procedures the institution will use to measure attainment of activity objectives and of goals identified in the CDP. Include procedures for analyzing and using both formative (outputs) and summative (outcomes) data.

b. Data Analysis (5 points)

Reader's Question: To what extent are the data analysis procedures clearly described and to what extent are they likely to produce formative and summative results on attaining activity objectives and measuring the success of the project on achieving the goals of the comprehensive development plan?

Describe in detail the project's evaluation plan, including the who, what, when and how. Define the baseline indicators of progress that you will use.

NOTE: While the Department does not require an external evaluation, you may find it useful to hire an outside expert to periodically evaluate the project or a particular activity. If you propose hiring an external evaluator, justify the costs by stating your reasons for using a consultant.

8. The Budget (5 points)

Review the program regulations, 34 CFR 606.10 and 606.30 for guidance on the allowable activities and costs. (See also “Allowable and Unallowable Activities” on page 3). The budget section includes the summary budget for each activity, the detail budget for each activity, and the overall summary budget for the project. This entire section is worth 5 points. **All** budget information is evaluated under this criterion.

Reader’s Question: To what extent are the proposed costs necessary and reasonable in relation to the project’s objectives and scope?

Activity Budgets

Using the Activity Budget Form (ED 851S-4) and the Other Budget Information Form (ED 851S-5), provide detailed, itemized budgets for the activity for each year for which grant funds are sought. **If you fail to provide details, we may not be able to determine if the costs requested are necessary and reasonable and may disallow such costs.** For all costs, demonstrate that they are reasonable in today’s market and necessary to accomplish activity objectives. In particular, you should justify any single cost exceeding \$25,000 – excluding salaries and fringe benefits.

Project Management/Evaluation Budget

Using the Activity Budget Form (ED 851S-4) and the Other Budget Information Form (ED 851S-5), provide one detailed budget for management/evaluation costs for each year for which grant funds are sought. If you fail to provide details, we may be unable to determine if the costs requested are necessary and reasonable and may disallow the costs.

Summary Budget

Using the Summary Budget Form (ED 524), prepare a summary budget for the entire project that totals all the costs by category for each year of the grant. Complete a separate Other Budget Information Form for Activity Budgets (ED 851S-5) delineating items common to the entire project’s summary budget, and for the use of grant monies for endowment funds. Check for accuracy for all budget totals within an activity budget and between the activity budget(s) and the summary budget. If any inaccuracies occur, the Education Department may choose the lesser of two budget figures and you may lose money that you could have otherwise received.

APPENDICES

Include the following appendices:

1. Five-Year Plan

Describe your institution’s 5-year plan for improving the assistance it provides to Hispanic and other low-income individuals.

2. Ranking of Activities

If the institution is requesting funding for more than one activity, rank the activities – excluding project management and evaluation – in the order of preferred funding.

Briefly identify –

- The activities that, if funded separately, would be a sound investment of Federal funds; and
- The activities that would be a sound investment of Federal funds only if funded in combination with one or more of the other proposed activities.

3. General Education Provisions Act (GEPA) Narrative

Section 427 of GEPA, enacted as part of the Improving America's Schools Act of 1994 (Pub. L. 103-382), affects applicants for new discretionary grant awards. **APPLICANTS FOR NEW AWARDS MUST INCLUDE INFORMATION IN THEIR APPLICATIONS TO ADDRESS THIS PROVISION IN ORDER TO RECEIVE FUNDING.**

Section 427 requires each applicant for funds (other than an individual person) to include in its application a description of the steps the applicant proposes to take to ensure equitable access to, and participation in, its federally assisted program for students, teachers, and other program beneficiaries with special needs.

This section allows applicant discretion in developing the required description. The statute highlights six types of barriers that can impede equitable access or participation that you may address: gender, race, national origin, color, disability, or age. Based on local circumstances, you can determine whether these or other barriers may prevent your students, teachers, etc. from equitable access or participation. For the purposes of this application, it is reasonable to limit the GEPA narrative to 1 page.

Section 427 is not intended to duplicate the requirements of civil rights statutes, but rather to ensure that, in designing their projects, applicants for Federal funds address equity concerns that may affect the ability of certain potential beneficiaries to fully participate in the project and to achieve to high standards. Consistent with program requirements and its approved application, an applicant may use the Federal funds awarded to it to eliminate barriers it identifies.

The following examples may help illustrate how an applicant may comply with section 427:

(1) An applicant that proposes to carry out an adult literacy project serving, among others, adults with limited English proficiency, might describe in its application how it intends to distribute a brochure about the proposed project to such potential participants in their native language.

(2) An applicant that proposes to develop instructional materials for classroom use might describe how it will make the materials available on audio tape or in Braille for students who are blind.

We recognize that many applicants may already be implementing effective steps to ensure equity of access and participation in their grant programs, and we appreciate your cooperation in responding to the requirements of this provision.

GEPA Estimated Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1890-0007 (Exp. 9/30/2004). The time required to complete this information collection is estimated to vary from 1 to 3 hours per response, with an average of 1.5 hours, including the time to review instructions, search existing data resources, gather and maintain the data needed, and complete and review the Information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: Director, Grants Policy and Oversight Staff, U.S. Department of Education, 400 Maryland Avenue, SW (Room 3652, GSA Regional Office Building No. 3), Washington, DC 20202-4248.

4. Prior HSI Program Support

If applicable, briefly describe all activities that you carried out under a previous HSI program grant that expired within the past five years (ending on or before September 30, 2000). If applicable, briefly justify not completing any activities funded under the previous grant. If you have not received an HSI Program grant during this time period, simply state no grant was received.

5. Letter of Commitment from Partner Institutions (for cooperative arrangement proposals only)

6. Cooperative Arrangement Form (Ed 851S-1) (for cooperative arrangement proposals only; **not** included in the page limit)

7. Dual submission certificate (page **Error! Bookmark not defined.**) (**not** included in the page limit)

8. Certification Regarding Collaborative Arrangement (ED Form 851S-8) (**not** included in the page limit)

9. Hispanic-Serving Institutions Assurance Form (ED 851S-7) (**not** included in the page limit)

COOPERATIVE ARRANGEMENT DEVELOPMENT GRANT APPLICATION

SUPPLEMENTAL INSTRUCTIONS

A cooperative arrangement is an arrangement to carry out allowable grant activities between a Hispanic-serving institution designated as an institution eligible for assistance and at least one other institution. The cooperating institutions combine their resources to better achieve program goals and avoid costly duplication of efforts. In addition to the development grant instructions located in this booklet, follow the instructions below.

COORDINATING INSTITUTION

Institutions teaming up in a cooperative arrangement must designate an eligible Hispanic-serving institution to be the coordinating institution. That institution is responsible for the use of all grant funds and for ensuring that the project is carried out in accordance with Federal regulations. Each participating institution is responsible for carrying out the activities or

tasks it agrees to perform and for using the funds that it receives in accordance with Federal requirements that apply to the grant. An institution that is ineligible for assistance may participate in a cooperative arrangement but may not receive any Title V grant funds.

The coordinating institution is the only applicant that completes the Application for Federal Education Assistance Form (ED 424). However, contact information for all institutions must be included on the Cooperative Arrangement Form (ED Form 851S-1).

ACTIVITY NARRATIVE UNDER A COOPERATIVE ARRANGEMENT

In the activity narrative, relate the proposed activity(ies) to the problems and goals identified for each participating institution in the CDP.

Respond to the appropriate selection criteria regarding activities for development grants described in the program regulations, 34 CFR 606.22. The coordinating institution provides the single response to these selection criteria, incorporating, where appropriate, the roles of the participating institutions.

BUDGET INFORMATION UNDER A COOPERATIVE ARRANGEMENT

In a cooperative arrangement application, the coordinating institution and each participating Hispanic-serving institution eligible for assistance must submit the Activity Budget Form (ED 851S-4) for each activity for which grant funds are sought. Each institution must provide details on how its portion of the funds will be expended.

The applicants will use the Other Budget Information Form (ED 851S-5) to describe and itemize all costs for each year. The participating eligible institutions and the coordinating institution should each complete a separate ED 851S-5 for each activity - for each year of the activity - and for project management/evaluation.

The coordinating institution prepares a summary budget that totals all the costs for all institutions-by category-for each of the years of the grant. Provide this information on the Summary Budget Form (ED 524). The coordinating institution should also complete a separate Other Budget Information Form (ED 851S-5) for the summary budget.

JUSTIFICATION FOR FUNDING UNDER A COOPERATIVE ARRANGEMENT

Describe in narrative form the rationale for each participating institution's decision to request funds to carry out activities as part of a cooperative arrangement, rather than individually. This narrative is included in the application after the "Institutional Narrative."

Among cooperative arrangement applications, we give priority for funding to those arrangements that are judged geographically and economically sound. A cooperative arrangement is judged geographically sound if faculty and staff at the participating institutions have good access to one another, either due to the institutions being relatively

close to one another or due to technology. The coordinating institution must provide evidence that justifies that the cooperative arrangement is geographically sound.

Each participating institution must provide evidence that justifies that the cooperative arrangement is economically sound. Provide evidence that each proposed activity would be carried out more efficiently and effectively than would be possible if each participating institution were awarded a grant individually.

LETTERS OF COMMITMENT

The president of each institution participating in a cooperative arrangement must provide a letter of commitment that states:

1. The submitted application accurately reflects the terms of the cooperative arrangement;
2. The institution will carry out its part in implementing the project ;
3. The institution will comply with all assurances and Federal regulations applicable to a grantee; and,
4. The budget correctly represents the institution's share of the overall project's funds.

The president of the participating institution(s) must sign and date this letter.

4000-01-U

DEPARTMENT OF EDUCATION

(CFDA No. 84.031S)

Office Of Postsecondary Education.

Developing Hispanic-Serving Institutions (HSI) Program

Notice inviting applications for new awards for fiscal year (FY)

2003.

PURPOSE OF PROGRAM: Assists eligible Hispanic-Serving Institutions (HSIs) of higher education to expand their capacity to serve Hispanic and low-income students by enabling them to improve their academic quality, institutional management, and fiscal stability and to increase their self-sufficiency. Five-year individual development grants and cooperative arrangement grants will be awarded in FY 2003. Planning grants will not be awarded in FY 2003. For FY 2003, the competition for new awards focuses on projects designed to meet the priorities we describe in the PRIORITIES section of this application notice.

ELIGIBLE APPLICANTS: Institutions of higher education (IHEs) that have been designated as eligible under Part A or B of Title III or under Title V of the Higher Education Act of 1965, as amended (HEA), are eligible to apply for individual development grants and cooperative arrangement grants. In addition, at the time of application, the IHE must provide assurances if applying for a grant in Title V that it has an enrollment of undergraduate full-time equivalent (FTE) students that is at least 25 percent Hispanic students, and that not less than 50 percent of the enrolled Hispanic students are low-income individuals.

NOTES: 1. A grantee under the HSI Program, authorized under Title V of the HEA, may not receive a grant under any Title III,

Part A Program. Further, an HSI Program grantee may not give up that grant in order to receive a grant under any Title III, Part A Program. Therefore, a current HSI Program grantee may not apply for a grant under any Title III, Part A Program in FY 2003.

2. An IHE that does not fall within the limitation described in Note 1 may apply for a FY 2003 grant under all Title III, Part A Programs for which it is eligible, as well as under the HSI Program. An applicant may receive only one grant.

APPLICATIONS AVAILABLE: January 29, 2003.

DEADLINE FOR TRANSMITTAL OF APPLICATIONS: March 3, 2003.

DEADLINE FOR INTERGOVERNMENTAL REVIEW: May 2, 2003.

ESTIMATED AVAILABLE FUNDS:

The Administration has requested \$89.1 million for this program for FY 2003. The actual level of funding, if any, depends on final congressional action. However, we are inviting applications to allow enough time to complete the grant process if Congress appropriates funds for this program.

ESTIMATED RANGE OF AWARDS: \$400,000 - \$600,000.

ESTIMATED AVERAGE SIZE OF AWARDS: Individual Development Grant: \$425,000 per year. Cooperative Arrangement Development Grant: \$600,000 per year.

ESTIMATED NUMBER OF AWARDS: Individual Development Awards: 18. Cooperative Arrangement Development Awards: 6.

Note: The Department is not bound by any estimates in this notice.

PROJECT PERIOD: Up to 60 months.

PAGE LIMIT: We have established mandatory page limits for both the individual development grant and the cooperative arrangement development grant applications. You must limit the application to the equivalent of no more than 100 pages for the individual development grant and 140 pages for the cooperative arrangement development grant, using the following standards:

- A "page" is 8.5" x 11", on one side only, with 1" margins top, bottom, and both sides.
- Double space (no more than three lines per vertical inch) all text in the application narrative, including titles and headings. You may single space footnotes, quotations, references, captions, charts, tables, figures, and graphs.
- Use a font that is either 12-point or larger or no smaller than 10 pitch (characters per inch).

The page limit does not apply to the application cover sheet (ED 424), the Dual-Submission Certificate, the one page Project Abstract, the Certification Regarding Collaborative Arrangement (ED 851S-8), the Hispanic-Serving Institutions Assurance Form (ED 851S-7), and the Cooperative Arrangement Form (ED 851S-1). The page limit does, however, apply to all remaining parts of the application.

We will reject your application if--

- You apply these standards and exceed the page limit;

or

- You apply other standards and exceed the equivalent of the page limit.

APPLICABLE REGULATIONS: (a) The Education Department General Administrative Regulations (EDGAR) in 34 CFR parts 74, 75, 77, 79, 81, 82, 85, 86, 97, 98, and 99; and (b) The regulations for this program in 34 CFR part 606.

APPLICABILITY OF EXECUTIVE ORDER 13202: Applicants that apply for construction funds under these programs must comply with the Executive Order 13202 signed by President Bush on February 17, 2001 and amended on April 6, 2001. This Executive order provides that recipients of Federal construction funds may not "require or prohibit bidders, offerors, contractors, or subcontractors to enter into or adhere to agreements with one or more labor organizations, on the same or other construction project(s)" or "otherwise discriminate against bidders, offerors, contractors, or subcontractors for becoming or refusing to become or remain signatories or otherwise adhere to agreements with one or more labor organizations, on the same or other construction project(s)." However, the Executive order does not prohibit contractors or subcontractors from voluntarily entering into these agreements.

Projects funded under this program that include construction activity will be provided a copy of this Executive Order and will be asked to certify that they will adhere to it.

PRIORITIES:

This competition focuses on projects designed to meet the priority in section 511(d) of the HEA (29 U.S.C. 1103) (see 34 CFR 75.105(b) (2) (iv)).

The Secretary gives priority to a development grant application that contains satisfactory evidence that the HSI has entered into, or will enter into, a collaborative arrangement with at least one local educational agency or community-based organization to provide that agency or organization with assistance (from funds other than funds provided under Title V of the HEA) in reducing dropout rates for Hispanic students, improving rates of academic achievement for Hispanic students, and increasing the rates at which Hispanic secondary school graduates enroll in higher education.

Under 34 CFR 75.105(c) (3), we consider only applications that meet this priority.

This competition also focuses on projects designed to meet the priority in section 514(b) of the HEA (20 U.S.C. 1103c) (see 34 CFR 75.105(b) (2) (iv)).

The Secretary gives priority to grant applications for cooperative arrangements that are geographically and economically sound or will benefit the applicant HSI.

Invitational Priorities:

Within the absolute priorities specified in this competition, we are particularly interested in applications that meet one or more of the following invitational priorities.

Invitational Priority 1.

Cooperative arrangements between two-year and four-year IHEs aiming to increase transfer and retention of Hispanic students.

Invitational Priority 2.

Cooperative arrangements between IHEs that develop and share technological resources in order to enhance each institution's ability to serve the needs of low-income communities or minority populations.

Invitational Priority 3.

Cooperative arrangements between IHEs, where at least one does not currently have funding under the HSI Program.

Invitational Priority 4.

Cooperative arrangements that involve institutional partners from more than one university or college system.

Under 34 CFR 75.105(c)(1), we do not give an application that meets one or more of the invitational priorities a competitive or absolute preference over other applications.

SPECIAL FUNDING CONSIDERATION: In tie-breaking situations described in 34 CFR 606.23, the HSI Program regulations require that we award one additional point to an application from an IHE that has an endowment fund for which the 1999-2000 market value per full-time equivalent (FTE) student was less than the comparable average per FTE student at a similar type IHE. We also award one additional point to an application from an IHE that had expenditures for library materials in 1999-2000 per FTE student that were less than the comparable average per FTE student at a similar type IHE.

For the purpose of these funding considerations, an applicant must be able to demonstrate that the market value of its endowment fund per FTE student and library expenditures per FTE student were less than the average expenditure per FTE student when calculated using the data submitted by applicants for the year 1999-2000.

If a tie still remains after applying the additional point(s), we will determine the ranking of applicants based on the lowest combined library expenditures per FTE student and endowment values per FTE student.

APPLICATION PROCEDURES:

NOTE: Some of the procedures in these instructions for transmitting applications differ from those in the Education Department General Administrative Regulations (EDGAR) (34 CFR 75.102). Under the Administrative Procedure Act (5 U.S.C. 553) the Department generally offers interested parties the opportunity to comment on proposed regulations. However, these amendments make procedural changes only and do not establish new substantive policy. Therefore, under 5 U.S.C 553(b) (A), the Secretary has determined that proposed rulemaking is not required.

Pilot Project for Electronic Submission of Applications:

In FY 2003, the U.S. Department of Education is continuing to expand its pilot project for electronic submission of applications to include additional formula grant programs and additional discretionary grant competitions. The HSI Program - 84.031S is one of the programs included in the pilot project. If you are an applicant under the HSI Program, you may submit your application to us in electronic or paper format.

The pilot project involves the use of the Electronic Grant Application System (e-Application) portion of the Grant Administration and Payment System (GAPS). Users of e-Application will be entering data on-line while completing their applications. You may not e-mail a soft copy of a grant application to us. If you participate in this voluntary pilot

project by submitting an application electronically, the data you enter on-line will be saved into a database. We request your participation in e-Application. We shall continue to evaluate its success and solicit suggestions for improvement.

If you participate in e-Application, please note the following:

- Your participation is strictly voluntary.
- You will not receive any additional point value because you submit a grant application in electronic format, nor will we penalize you if you submit an application in paper format. When you enter the e-Application system, you will find information about its hours of operation.
- You may submit all documents electronically including the Application for Federal Assistance (ED 424), Budget Information–Non-Construction Programs (ED 524), and all necessary assurances and certifications.
- After you electronically submit your application, you will receive an automatic acknowledgement, which will include a PR/Award number (an identifying number unique to your application).
- Within three working days after submitting your electronic application, fax a signed copy of the Application for Federal Assistance (ED 424) to the Application Control Center after following these steps:

- (1) Print ED 424 form from the e-Application system.
 - (2) The institution's Authorizing Representative must sign this form.
 - (3) Place the PR/Award number in the upper right hand corner of the hard copy signature page of the ED 424.
 - (4) Fax the signed ED 424 to the Application Control Center at (202) 260-1349.
- We may request that you give us original signatures on all other forms at a later date.
 - Closing Date Extension in Case of System Unavailability: If you elect to participate in the e-Application pilot for the HSI Program and you are prevented from submitting your application on the closing date because the e-Application system is unavailable, we will grant you an extension of one business day in order to transmit your application electronically, by mail, or by hand delivery. For us to grant this extension—
 - (1) You must be a registered user of e-Application, and have initiated an e-Application for this competition; and
 - (2)(a) The e-Application system must be unavailable for 60 minutes or more between the hours of 8:30 a.m. and 3:30 p.m., Washington, DC time, on the deadline date;or

(b) The e-Application system must be unavailable for any period of time during the last hour of operation (that is, for any period of time between 3:30 and 4:30 p.m., Washington, DC time) on the deadline date.

The Department must acknowledge and confirm these periods of unavailability before granting you an extension. To request this extension you must contact either (1) the person listed elsewhere in this notice under FOR APPLICATIONS AND FURTHER INFORMATION CONTACT or (2) the e-GRANTS help desk at 1-888-336-8930.

You may access the electronic grant application for the Title V, HSI Program at:

<http://e-grants.ed.gov>

We have included additional information about the e-Application pilot project (see Parity Guidelines between Paper and Electronic Applications) in the application package.

FOR APPLICATIONS AND FURTHER INFORMATION CONTACT: Louis Venuto, U.S. Department of Education, Title V, Developing Hispanic-Serving Institutions Program, 1990 K Street NW., 6th floor, Washington, DC 20006-8513. Telephone: (202) 502-7763 or via Internet:

title.five@ed.gov

If you use a telecommunications device for the deaf (TDD), you may call the Federal Information Relay Service (FIRS) at 1-800-877-8339.

Individuals with disabilities may obtain this document in an alternative format (e.g. Braille, large print, audiotape, or computer diskette) on request to the program contact person listed under FOR APPLICATIONS AND FURTHER INFORMATION CONTACT.

Individuals with disabilities may obtain a copy of the application package in an alternative format by contacting that person. However, the Department is not able to reproduce in an alternative format the standard forms included in the application package.

Electronic Access to This Document

You may view this document, as well as all other Department of Education documents published in the Federal Register, in text or Adobe Portable Document Format (PDF) on the Internet at the following site:

www.ed.gov/legislation/FedRegister

To use PDF you must have Adobe Acrobat Reader, which is available free at this site. If you have questions about using PDF, call the U.S. Government Printing Office (GPO), toll free, at 1-888-293-6498; or in the Washington, DC area at (202) 512-1530.

Note: The official version of a document is the document published in the Federal Register. Free Internet access to the official edition of the Federal Register and the Code of Federal Regulations is available on GPO Access at:

<http://www.access.gpo.gov/nara/index.html>

PROGRAM AUTHORITY: 20 U.S.C. 1101-1101d, 1103-1103g.

Dated:

Sally L. Stroup,
Assistant Secretary
Office of Postsecondary Education.

Title V Program Statute

The following is an excerpt of the Higher Education Act of 1965, as Amended by the Higher Education Amendments of 1998

SEC. 501. FINDINGS; PURPOSE; AND PROGRAM AUTHORITY.

(a) FINDING. -- Congress makes the following findings:

(1) Hispanic Americans are at high risk of not enrolling or graduating from institutions of higher education.

(2) Disparities between the enrollment of non-Hispanic white students and Hispanic students in postsecondary education are increasing. Between 1973 and 1994, enrollment of white secondary school graduate in 4-year institutions of higher education increased at a rate two times higher than that of Hispanic secondary school graduates.

(3) Despite significant limitations in resources, Hispanic-serving institutions provide a significant proportion of postsecondary opportunities for Hispanic students.

(4) Relative to other institution of higher education, Hispanic-serving institutions are under funded. Such institutions receive significantly less in State and local funding, per full-time equivalent student, than other institutions of higher education.

(5) Hispanic-serving institutions are succeeding in educating Hispanic students despite significant resources problems that--

(A) limit the ability of such institutions to expand and improve the academic programs of such institutions; and

(B) could imperil the financial and administrative stability of such institutions.

(6) There is a national interest in remedying the disparities described in paragraphs (2) and (4) and ensuring that Hispanic students have an equal opportunity to pursue postsecondary opportunities.

(b) Purpose. -- The purpose of this title is to--

(1) expand educational opportunities for, and improve the academic attainment of Hispanic students, and;

(2) expand and enhance the academic offerings, program quality, and institutional stability of colleges and universities that are educating the majority of Hispanic college students and helping large number of Hispanic students and other low-income individuals complete postsecondary degrees.

(c) Program Authority. -- The Secretary shall provide grants and related assistance to Hispanic-serving institutions to enable such institutions to improve and expand their capacity to serve Hispanic students and other low-income individuals.

SEC. 502 DEFINITIONS; ELIGIBILITY.

(a) Definitions. For the purpose of this title:

(1) EDUCATIONAL AND GENERAL EXPENDITURES. The term "educational and general expenditures" means the total amount expended by and institution for instruction, research, public service, academic support (including library expenditures), student services, institutional support, scholarships and fellowships, operation and maintenance expenditures for the physical plant, and an mandatory transfers that the institution is required to pay by law.

(2) ELIGIBLE INSTITUTION. The term "eligible institution" means--

(A) an institution of higher education--

(i) has an enrollment of needy students as required by subsection (b);

(ii) except as provided in section 512(b), the average educational and general expenditures of which are low, per full time equivalent undergraduate student, in comparison with the average educational and general expenditures per full time equivalent undergraduate student of institutions that offer similar instruction:

(iii) that is--

(I) legally authorized to provide, and provides within the State, an education program for which the institution awards a bachelor's degree or

(II) a junior or community college;

(iv) that is accredited by a nationally recognized accrediting agency or association determined by the Secretary to be reliable authority as to the quality of training offered or that is, according to such an agency or association, making reasonable progress toward accreditation;

(v) that meets such other requirements as the Secretary may prescribe; and

(vi) that is located in a State; and

(B) any branch of any institution of higher education described under subparagraph (A) that by itself satisfies the requirements contained in clauses (I) and (ii) of such subparagraph. For purposes of the determination of whether an institution is an eligible institution under this paragraph, the factor described under subparagraph (A)(I) shall be given twice the weight of the factor described under subparagraph (A)(ii).

(3) ENDOWMENT FUND.-- The term "endowment fund" means a fund that

(A) is established by State law, by a Hispanic-serving institution, or by a

foundation that is exempt from Federal income taxation;

(B) is maintained for the purpose of generating income for the support of the institution; and

(C) does not include real estate.

(4) FULL-TIME EQUIVALENT STUDENTS.--The term "full-time equivalent students" means the sum of the number of students enrolled full time at an institution, plus the full-time equivalent of the number of students enrolled part time (determined on the basis of the quotient of the sum of the credit hours or all part-time student divided by 12) at such institution.

(5) HISPANIC-SERVING INSTITUTION. -- The term "Hispanic-Serving institution" means

(A) is an eligible institution

(B) at the time of application, has an enrollment of undergraduate full-time equivalent students that is at least 25 percent Hispanic students; and

(C) provides assurances that not less than 50 percent of the institution's Hispanic students are low-income individuals.

(6) JUNIOR OR COMMUNITY COLLEGE. The term "junior or community college" means an institution of higher education--

(A) that admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located and who have the ability to benefit from the training offered by the institution;

(B) that does not provide an educational program for which the institution awards a bachelor's degree (or an equivalent degree); and

(C) that--

(I) provides an educational program of not less than 2 years in duration that is acceptable for full credit toward such a degree; or

(ii) offers a 2-year program in engineering, mathematics or the physical or biological sciences, designed to prepare a student to work as a technician or a the semiprofessional level in engineering, scientific, or other technological fields requiring the understanding the application of basic engineering, scientific, or mathematical principles of knowledge.

(7) LOW INCOME INDIVIDUAL.-- The term "low-income individual" means an individual from a family whose taxable income for the preceding year did not exceed 150 percent of an amount equal to the poverty level determined by using criteria of poverty established by the Bureau of the Census.

(b) Enrollment of Needy Students.-- For the purpose of this title, the term "enrollment of needy students" means an enrollment at an institution with respect to which--

(1) at least 50 percent of the degree students so enrolled are receiving need-based assistance under title IV in the second fiscal year preceding the fiscal year for which the determination is made (other than loans for which an interest subsidy is paid pursuant to section 428); or

(2) a substantial percentage of the students so enrolled are receiving Federal Pell Grants in the second fiscal year preceding the fiscal year for which determination is made compared to the percentage of students receiving Federal Pell Grants at all such institutions in the second fiscal year preceding the fiscal year for which the determination is made, unless the requirement of this paragraph is waived under section 512(a).

SEC. 503 AUTHORIZED ACTIVITIES.

(a) TYPES OF ACTIVITIES AUTHORIZED. Grants awarded under this title shall be used by Hispanic-serving institutions of

higher education to assist the institutions to plan, develop, undertake, and carry out programs to improve and expand such institutions' capacity to serve Hispanic students and other low-income students.

(b) AUTHORIZED ACTIVITIES. Grants awarded under this section shall be used for one or more of the following activities:

(1) Purchase, rental or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

(2) Construction, maintenance, renovation, and improvement in classrooms, libraries, laboratories, and other instructional facilities.

(3) Support of faculty exchanges, faculty development, curriculum development, academic instruction, and faculty fellowships to assist in attaining advanced degrees in the fellow's field of instruction.

(4) Purchase of library books, periodicals, and other educational materials, including telecommunications program material.

(5) Tutoring, counseling, and student service programs designed to improve academic success.

(6) Funds management, administrative management, and acquisition of equipment for use in strengthening funds management.

(7) Joint use of facilities, such as laboratories and libraries.

(8) Establishing or improving a development office to strengthen or improve contributions from alumni and the private sector.

(9) Establishing or improving an endowment fund.

(10) Creating or improving facilities for Internet or other distance learning academic instruction capabilities, including purchase or rental of telecommunications technology equipment or services.

<p>(11) Establishing or enhancing a program or teacher education designed to qualify students to teach in public elementary schools and secondary schools.</p> <p>(12) Establishing community outreach programs that will encourage elementary school and secondary school students to develop the academic skills and the interest to pursue postsecondary education.</p> <p>(13) Expanding the number of Hispanic and other underrepresented graduate and professional students that can be served by the institution by expanding courses and institutional resources.</p> <p>(14) Other activities proposed in the application submitted pursuant to section 504 that --</p> <p>(A) that contribute to carrying out the purposes of this title</p> <p>(B) are approved by the Secretary as part of the review and acceptance of such application.</p> <p>(C) Endowment fund limitations. --</p> <p>(1) Portion of a grant. -- A Hispanic-serving institution may not use more than 20 percent of the grant funds provided under this title for any fiscal year for establishing or improving an endowment fund.</p> <p>(2) Matching required. -- A Hispanic-serving institution that uses any portion of the grant funds provided under this title for any fiscal year for establishing or improving an endowment fund shall provide from non-Federal funds an amount equal to or greater than the portion.</p>	<p>A Hispanic-serving institution shall not be eligible to secure a subsequent 5-year grant award under this title until 2 years have elapsed since the expiration of the institution's most recent 5-year grant award under this title, except that for the purpose of this subsection a grant under section 514(a) shall not be considered a grant under this title.</p> <p>(b) Planning grants. Notwithstanding subsection (a), the Secretary may award a grant to a Hispanic-serving institution under this part for a period of one year for the purpose of preparation of plans and applications for a grant under this title.</p> <p>SEC. 505. SPECIAL RULE</p> <p>No Hispanic-serving institution that is eligible for and receives funds under this title may concurrently receive other funds under part A or B of Title III during the period for which funds under this title are awarded.</p> <p>PART B--GENERAL PROVISIONS</p> <p>SEC. 511. ELIGIBILITY; APPLICATION.</p> <p>(a) Institutional Eligibility. Each Hispanic-serving institution desiring to receive assistance under this title shall submit to the Secretary such enrollment data as may be necessary to demonstrate that the institution is a Hispanic-serving institution as defined in section 502, along with such other data and information as the Secretary may by regulation require.</p> <p>(b) Applications.</p>	<p>assistance. Subject to the availability of appropriations to carry out this title, the Secretary may approve an application for a grant under this title only if the Secretary determines that--</p> <p>(A) the application meets the requirements of subsection (b); and</p> <p>(B) the institution is eligible for assistance in accordance with the provisions of this title under which the assistance is sought.</p> <p>(2) Preliminary Applications. -- In carrying out paragraph (1), the Secretary may develop a preliminary application for use by Hispanic-serving institutions applying under this title prior to the submissions of the principal application.</p> <p>(c) Contents. A Hispanic-serving institution, in the institution's application for a grant, shall -</p> <p>(1) set forth, or describe how the institution will develop, a comprehensive development plan to strengthen the institution's academic quality and institutional management, and otherwise provide for institutional self-sufficiency and growth (including measurable objectives for the institution and the Secretary to use in monitoring the effectiveness of activities under this subchapter);</p> <p>(2) include a 5-year plan for improving the assistance provided by the Hispanic-serving institution to Hispanic students and other low-income individuals;</p> <p>(3) set forth policies and procedures to ensure that Federal funds made available under this subchapter for any fiscal year will be used to supplement and, to the extent practical, increase the funds that would otherwise be made available for the purposes of section 501(b), and in no case supplant those funds;</p> <p>(4) set forth policies and procedures for evaluating the effectiveness in accomplishing the</p>
<p>SEC. 504-- DURATION OF GRANT</p> <p>(a) Award Period.</p> <p>(1) In General. The Secretary may award a grant to a Hispanic-serving institution under this title for 5 years.</p> <p>(2) Waitout Period. --</p>	<p>(1) Applications required. Any institution which is eligible for assistance under this subchapter shall submit to the Secretary an application for assistance at such time, in such form, and containing such information, as may be necessary to enable the Secretary to evaluate the institution's need for</p>	

purpose of the activities for which a grant is sought under this title;

(5) provide for such fiscal control and fund accounting procedures as may be necessary to ensure proper disbursement of and accounting for funds made available to the applicant under this title;

(6) provide that the institution will comply with the limitations set forth in Section 516;

(7) describe in a comprehensive manner any proposed project for which funds are sought under the application and include--

(A) a description of the various components of the proposed project, including the estimated time required to complete each such component;

(B) in the case of any development project that consists of several components (as described by the institution pursuant to subparagraph (A)), a statement identifying those components which, if separately funded, would be sound investments of Federal funds only if funded under this title in conjunction with other parts of the development project (as specified by the institution);

(C) an evaluation by the applicant of the priority given any proposed project for which funds are sought in relation to any other projects for which funds are sought by the applicant under this title, and a similar evaluation regarding priorities among the components of any single proposed project (as described by the applicant pursuant to subparagraph (A));

(D) a detailed budget showing the manner in which funds for any proposed project would be spent by the applicant; and

(E) a detailed description of any activity which involves the expenditure of more than \$25,000, as identified in the budget referred to in subparagraph (E); and

(8) provide for making reports, in such form and containing such

information, as the Secretary may require to carry out the Secretary's functions under this title, including not less than one report annually setting forth the institution's progress toward achieving the objectives for which the funds were awarded and for keeping such records and affording such access to such records, as the Secretary may find necessary to assure the correctness and verification of such reports; and

(9) include such other information as the Secretary may prescribe.

(d) Priority. With respect to applications for assistance under this section, the Secretary shall give priority to an application that contains satisfactory evidence that the Hispanic-serving institution has entered into or will enter into a collaborative arrangement with at least on local education agency or community-based organization to provide such agency or organization with assistance (from funds other than funds provided under this title) in reducing dropout rates for Hispanic students, improving rates of academic achievement for Hispanic students, and increasing the rates at which Hispanic secondary school graduates enroll in higher education.

(e) Eligibility Data. The Secretary shall use the most recent and relevant data concerning the number and percentage of students receiving need-based assistance under IV in making eligibility determinations and shall advance the base-year for the determinations forward following each annual grant cycle.

SEC. 512. WAIVER AUTHORITY AND REPORTING REQUIREMENT

(a) Waiver requirements; need-based assistance students. The Secretary may waive the requirements set forth in section 502(a)(2)(A)(I) in the case of an institution

(1) that is extensively subsidized by the State in which it is located and charges low or no tuition;

(2) which serves a substantial number of low-income students as a percentage of its total student population;

(3) that is contributing substantially to increasing higher education opportunities for educationally disadvantaged, underrepresented, or minority students, who are low-income individuals;

(4) which is substantially increasing higher educational opportunities for individuals in rural or other isolated areas which are unserved by postsecondary institutions;

(5) wherever located, if the Secretary determines that the waiver will substantially increase higher education opportunities appropriate to the needs of Hispanic Americans.

(b) Waiver determinations; expenditures-- (1) The Secretary may waive the requirements set forth in section 502(a)(2)(A)(ii) if the Secretary determines, based on persuasive evidence submitted by the institution, that the institution's failure to meet that criterion is due to factors which, when used in the determination of compliance with such criterion, distort such determination, and that the institution's designation as an eligible institution under part A is otherwise consistent with the purposes of this title.

(2) Expenditures--The Secretary shall submit to the Congress every other year a report concerning the institutions that, although not satisfying the requirements of section 502(a)(2)(A)(ii), have been determined to be eligible institutions under part A. Such report shall-

(A) identify the factors referred to in paragraph (1) which were considered by the Secretary as factors that distorted the determination of compliance with clauses (I) and (ii) of section 502(a)(2)(A); and

(B) contain a list of each institution determined to be an eligible institution under part A including a statement of the reasons for each such determination.

SEC. 513--APPLICATION REVIEW PROCESS

(a) Review panel.

(1) All applications submitted under this title by Hispanic serving institutions of higher education shall be read by a panel of readers composed of individuals selected by the Secretary and who include individuals representing Hispanic-serving institutions. The Secretary shall ensure that no individual assigned under this section to review any application has any conflict of interest with regard to that application which might impair the impartiality with which that individual conducts the review under this section.

(b) Instruction. All readers selected by the Secretary shall receive thorough instruction from the Secretary regarding the evaluation process for applications submitted under this title that are consistent with the provisions of this title, including--

(1) an enumeration of the factors to be used to determine the quality of applications submitted under this title; and

(2) an enumeration of the factors to be used to determine whether a grant should be awarded for a project under this title, the Secretary shall take into consideration the amount of any such grant, and the duration of any such grant.

(c) Recommendations of panel. In awarding grants under this title, the Secretary shall take into consideration the recommendations of the panel made under subsection (a).

(d) Notification. Not later than June 30 of each year, the Secretary shall notify each Hispanic-serving

institution making an application under this title of

(1) the scores given the applicant by the panel pursuant to this section;

(2) the recommendations of the panel with respect to such application; and

(3) the reasons for the decision of the Secretary in awarding or refusing to award a grant under this title, and any modifications, if any, in the recommendations of the panel made by the Secretary.

SEC. 514--COOPERATIVE ARRANGEMENTS

(a) General authority. The Secretary may make grants to encourage cooperative arrangements with funds available to carry out this title, between Hispanic-serving institutions eligible for assistance under this title and between such institutions and institutions not receiving assistance under this title, for the activities described in section 503 so that the resources of the cooperating institutions might be combined and shared in order to achieve the purposes of this title, to avoid costly duplicative efforts and to enhance the development of part A and part B eligible institutions.

(b) Priority. The Secretary shall give priority to grants for the purposes described under subsection (a) whenever the Secretary determines that the cooperative arrangement is geographically and economically sound or will benefit the applicant Hispanic-serving institution.

(c) Duration. Grants to Hispanic-serving institutions having a cooperative arrangement may be made under this section for a period as determined under section 505.

SEC. 516. LIMITATIONS

The funds appropriated under section 518 may not be used

(1) for a school or department of divinity or any religious worship or sectarian activity;

(2) for an activity that is inconsistent with a State plan for desegregation of higher education applicable to a Hispanic-serving institution;

(3) for an activity that is inconsistent with a State plan of higher education applicable to a Hispanic-serving institution; or

(4) for purposes other than the purposes set forth in the approved application under which the funds were made available to a Hispanic-serving institution.

SEC. 515. ASSISTANCE TO INSTITUTIONS UNDER OTHER PROGRAMS

(a) Assistance eligibility. Each Hispanic-serving institution that the Secretary determines to be an institution eligible under this title may be eligible for waivers in accordance with subsection (b).

(b) Waiver applicability

(1) In General--Subject to, and in accordance with, regulations promulgated for the purposes of this section, in the case of any application by a Hispanic-serving institution referred to in subsection (a) for assistance under any programs specified in paragraph (2), the Secretary is authorized, if such application is otherwise approvable, to waive any requirement for a non-Federal share of the cost of the program or project, or, to the extent not inconsistent with other law, to give, or require to be given, priority consideration of the application in relation to applications from other institutions.

(2) The provisions of this section shall apply to any program authorized by Title IV or section 604.

(c) Limitation. The Secretary shall not waive, under subsection (b) of this section, the non-Federal share

requirement for any program for applications which, if approved, would require the expenditure of more than 10 percent of the appropriations for the program for any fiscal year.

SEC. 517-- PENALTIES

Whoever, being an officer, director, agent, or employee of, or connected in any capacity with, any recipient of Federal financial assistance or grant pursuant to this subchapter embezzles, willfully misapplies, steals, or obtains by fraud any of the funds which are the subject of such grant or assistance, shall be fined not more than \$10,000 or imprisoned for not more than 2 years, or both.

SEC. 518--AUTHORIZATIONS OF APPROPRIATIONS

(a) Authorizations. -- There are authorized to be appropriated to carry out this title \$62,500,000 for fiscal year 1999, and such sums as may be necessary for each of the 4 succeeding fiscal years.

(b) Use of multiple year awards. In the event of a multiple year award to any Hispanic-serving institution under this title, the Secretary shall make funds available for such award from funds appropriated for this title for the fiscal year in which such funds are to be used by the institution.

Title V Program Regulations

The Code of Federal Regulations PART 606 (December 15, 1999)

Subpart A--General

Sec. 606.1 What is the Developing Hispanic-Serving Institutions Program?

The purpose of the Developing Hispanic-Serving Institutions Program is to provide grants to eligible institutions of higher education to--

(a) Expand educational opportunities for, and improve the academic attainment of, Hispanic students; and

(b) Expand and enhance the academic offerings, program quality, and institutional stability of colleges and universities that are educating the majority of Hispanic college students and helping large numbers of Hispanic students and other low-income individuals complete postsecondary degrees.

(Authority: 20 U.S.C. 1101)

Sec. 606.2 What institutions are eligible to receive a grant under the Developing Hispanic-Serving Institutions Program?

(a) An institution of higher education is eligible to receive a grant under this part if--

(1) At the time of application, it has an enrollment of undergraduate full-time equivalent students that is at least 25 percent Hispanic students;

(2) It provides assurances that not less than 50 percent of its Hispanic students are low-income individuals;

(3) It has an enrollment of needy students as described in Sec. 606.3 (a), unless the Secretary waives this requirement under Sec. 606.3(b);

(4) It has low average educational and general expenditures per full-time equivalent undergraduate student as described in Sec. 606.4 (a), unless the Secretary waives this requirement under Sec. 606.4(c);

(5) It is legally authorized by the State in which it is located to be a junior college or to provide an educational program for which it awards a bachelor's degree; and

(6) It is accredited or preaccredited by a nationally recognized accrediting agency or association that the Secretary has determined to be a

reliable authority as to the quality of education or training offered.

(b) A branch campus of a Hispanic-Serving institution is eligible to receive a grant under this part if--

(1) The institution as a whole meets the requirements of paragraph (a) of this section; and

(2) The branch satisfies the requirements of paragraphs (a)(1), (a)(2), (a)(3), and (a)(4) of this section.

(c)(1) An institution that receives a grant under the Strengthening Institutions Program (34 CFR part 607) or the Strengthening Historically Black Colleges and Universities Program (34 CFR part 608) for a particular fiscal year is not eligible to receive a grant under this part for that same fiscal year, and may not relinquish its grant under those programs to secure a grant under this part.

(2) A Hispanic-Serving institution under this part may not concurrently receive grant funds under the Strengthening Institutions Program, Strengthening Historically Black Colleges and Universities Program, or Strengthening Historically Black Graduate Institutions Program.

(Authority: 20 U.S.C. 1101a and 1101d)

Sec. 606.3 What is an enrollment of needy students?

(a) Except as provided in paragraph (b) of this section, for the purpose of Sec. 606.2(a)(3), an applicant institution has an enrollment of needy students if in the base year--

(1) At least 50 percent of its degree students received student financial assistance under one or more of the following programs: Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Work-Study, and Federal Perkins Loan; or

(2) The percentage of its undergraduate degree students who were enrolled on at least a half-time basis and received Federal Pell Grants exceeded the median percentage of undergraduate degree students who were enrolled on at least a half-time basis and received Federal Pell Grants at comparable institutions that offer similar instruction.

(b) The Secretary may waive the requirement contained in paragraph (a) of this section if the institution demonstrates that--[[Page 70148]]

(1) The State provides more than 30 percent of the institution's budget and the institution charges not more than \$99.00 for tuition and fees for an academic year;

(2) At least 30 percent of the students served by the institution in the base year were students from low-income families;

(3) The institution substantially increases the higher education opportunities for low-income students who are also educationally disadvantaged, underrepresented in postsecondary education, or minority students;

(4) The institution substantially increases the higher education opportunities for individuals who reside in an area that is not included in a "metropolitan statistical area" as defined by the Office of Management and Budget and who are unserved by other postsecondary institutions; or

(5) The institution will, if granted the waiver, substantially increase the higher education opportunities for Hispanic Americans.

(c) For the purpose of paragraph (b) of this section, the Secretary considers "low-income" to be an amount which does not exceed 150 percent of the amount equal to the poverty level as established by the United States Bureau of the Census.

(d) Each year, the Secretary notifies prospective applicants of the low-income figures through a notice published in the Federal Register.

(Authority: 20 U.S.C. 1101a and 1103a)

Sec. 606.4 What are low educational and general expenditures?

(a)(1) Except as provided in paragraph (b) of this section, for the purpose of Sec. 606.2(a)(2), an applicant institution's average educational and general expenditures per full-time equivalent undergraduate student in the base year must be less than the average educational and general expenditures per full-time equivalent

undergraduate student in that year of comparable institutions that offer similar instruction.

(2) For the purpose of paragraph (a)(1) of this section, the Secretary determines the average educational and general expenditure per full-time equivalent undergraduate student for institutions with graduate students that do not differentiate between graduate and undergraduate educational and general expenditures by discounting the graduate enrollment using a factor of 2.5 times the number of graduate students.

(b) Each year, the Secretary notifies prospective applicants through a notice in the Federal Register of the average educational and general expenditures per full-time equivalent undergraduate student at comparable institutions that offer similar instruction.

(c) The Secretary may waive the requirement contained in paragraph (a) of this section, if the Secretary determines, based upon persuasive evidence provided by the institution, that--

(1) The institution's failure to satisfy the criteria in paragraph (a) of this section was due to factors which, if used in determining compliance with those criteria, distorted that determination; and

(2) The institution's designation as an eligible institution under this part is otherwise consistent with the purposes of this part.

(d) For the purpose of paragraph (c)(1) of this section, the Secretary considers that the following factors may distort an institution's educational and general expenditures per full-time equivalent undergraduate student--

(1) Low student enrollment;

(2) Location of the institution in an unusually high cost-of-living-area;

(3) High energy costs;

(4) An increase in State funding that was part of a desegregation plan for higher education; or

(5) Operation of high cost professional schools such as medical or dental schools.

(Authority: 20 U.S.C. 1101a and 1103a)

Sec. 606.5 How does an institution apply to be designated an eligible institution?

(a) An institution applies to the Secretary to be designated an eligible institution under this part by first submitting an application to the Secretary in the form, manner, and time established by the Secretary. The application must contain--

(1) The information necessary for the Secretary to determine whether the institution satisfies the requirements of Secs. 606.2, 606.3(a), and 606.4(a);

(2) Any waiver request under Secs. 606.3(b) and 606.4(c); and

(3) Information or explanations justifying any requested waiver.

(b) An institution that wishes to receive a grant under this part must submit, as part of its application for that grant, an assurance that when it submits its application--

(1) Its enrollment of undergraduate full-time equivalent students is at least 25 percent Hispanic students; and

(2) Not less than 50 percent of its Hispanic students are low-income individuals.

(Authority: 20 U.S.C. 1101a and 1103)

Sec. 606.6 What regulations apply?

The following regulations apply to the Developing Hispanic-Serving Institutions Program:

(a) The Education Department General Administrative Regulations (EDGAR) as follows:

(1) 34 CFR part 74 (Administration of Grants to Institutions of Higher Education, Hospitals, and Nonprofit Organizations).

(2) 34 CFR part 75 (Direct Grant Programs), except 34 CFR 75.128(a)(2) and 75.129(a) in the case of applications for cooperative arrangements.

(3) 34 CFR part 77 (Definitions that Apply to Department Regulations).

(4) 34 CFR part 79 (Intergovernmental Review of Department of Education Programs and Activities).

(5) 34 CFR part 82 (New Restrictions on Lobbying).

(6) 34 CFR part 85 (Government wide Debarment and Suspension

(Nonprocurement) and Government wide Requirements for Drug-Free Workplace (Grants)).

(7) 34 CFR part 86 (Drug-Free Schools and Campuses).

(b) The regulations in this part 606.

(Authority: 20 U.S.C. 1101 et seq.)

Sec. 606.7 What definitions apply?

(a) Definitions in EDGAR. The terms used in this part are defined in 34 CFR 77.1:

EDGAR Fiscal year Grant Grantee Grant period Nonprofit Private Project period Public Secretary State

(b) The following definitions also apply to this part:

Accredited means the status of public recognition which a nationally recognized accrediting agency or association grants to an institution which meets certain established qualifications and educational standards.

Activity means an action that is incorporated into an implementation plan designed to meet one or more objectives. An activity is a part of a project and has its own budget that is approved to carry out the objectives of that subpart.

Base year means the second fiscal year preceding the fiscal year for which an institution seeks a grant under this part.

Branch campus means a unit of a college or university that is [[Page 70149]] geographically apart from the main campus of the college or university and independent of that main campus. The Secretary considers a unit of a college or university to be independent of the main campus if the unit--

(1) Is permanent in nature;

(2) Offers courses for credit and programs leading to an associate or bachelor's degree; and

(3) Is autonomous to the extent that it has--

(i) Its own faculty and administrative or supervisory organization; and

(ii) Its own budgetary and hiring authority.

Comparable institutions that offer similar instruction means institutions

that are being compared with an applicant institution and that fall within one of the following four categories--

- (1) Public junior or community colleges;
- (2) Private nonprofit junior or community colleges;
- (3) Public institutions that offer an educational program for which they offer a bachelor's degree; or
- (4) Private nonprofit institutions that offer an educational program for which they offer a bachelor's degree.

Cooperative arrangement means an arrangement to carry out allowable grant activities between an institution eligible to receive a grant under this part and another eligible or ineligible institution of higher education, under which the resources of the cooperating institutions are combined and shared to better achieve the purposes of this part and avoid costly duplication of effort.

Degree student means a student who enrolls at an institution for the purpose of obtaining the degree, certificate, or other recognized educational credential offered by that institution.

Developmental program and services means new or improved programs and services, beyond those regularly budgeted, specifically designed to improve the self sufficiency of the school.

Educational and general expenditures means the total amount expended by an institution of higher education for instruction, research, public service, academic support (including library expenditures), student services, institutional support, scholarships and fellowships, operation and maintenance expenditures for the physical plant, and any mandatory transfers which the institution is required to pay by law.

Educationally disadvantaged means a college student who requires special services and assistance to enable them to succeed in higher education. The phrase includes, but is not limited to, students who come from--

- (1) Economically disadvantaged families;
- (2) Limited English proficiency families;
- (3) Migrant worker families; or
- (4) Families in which one or both of their parents have dropped out of secondary school.

Federal Pell Grant Program means the grant program authorized by title IV-A-1 of the HEA.

Federal Perkins Loan Program, formerly called the National Direct Student Loan Program, means the loan program authorized by title IV-E of the HEA.

Federal Supplemental Education Opportunity Grant Program means the grant program authorized by title IV-A-3 of the HEA.

Federal Work-Study Program means the part-time employment program authorized under title IV-C of the HEA.

Full-time equivalent students means the sum of the number of students enrolled full-time at an institution, plus the full-time equivalent of the number of students enrolled part time (determined on the basis of the quotient of the sum of the credit hours of all part-time students divided by 12) at such institution.

HEA means the Higher Education Act of 1965, as amended.

Hispanic student means a person of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.

Institution of higher education means an educational institution defined in section 101 of the HEA.

Junior or community college means an institution of higher education--

- (1) That admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located and who have the ability to benefit from the training offered by the institution;
- (2) That does not provide an educational program for which it awards a bachelor's degree (or an equivalent degree); and
- (3) That--
 - (i) Provides an educational program of not less than 2 years that is acceptable for full credit toward such a degree; or
 - (ii) Offers a 2-year program in engineering, mathematics, or the physical or biological sciences, designed to prepare a student to work as a technician or at the semiprofessional level in engineering, scientific, or other technological fields requiring the understanding and application of basic engineering,

scientific, or mathematical principles of knowledge.

Low-income individual means an individual from a family whose taxable income for the preceding year did not exceed 150 percent of an amount equal to the poverty level determined by using criteria of poverty established by the Bureau of the Census.

Minority student means a student who is an Alaska Native, American Indian, Asian-American, Black (African-American), Hispanic American, Native Hawaiian, or Pacific Islander.

Nationally recognized accrediting agency or association means an accrediting agency or association that the Secretary has recognized to accredit or preaccredit a particular category of institution in accordance with the provisions contained in 34 CFR part 603. The Secretary periodically publishes a list of those nationally recognized accrediting agencies and associations in the Federal Register.

Operational programs and services means the regular, ongoing budgeted programs and services at an institution.

Preaccredited means a status that a nationally recognized accrediting agency or association, recognized by the Secretary to grant that status, has accorded an unaccredited institution that is progressing toward accreditation within a reasonable period of time.

Project means all the funded activities under a grant.

Self-sufficiency means the point at which an institution is able to survive without continued funding under the Developing Hispanic-Serving Institutions Program.

Underrepresented means proportionate representation as measured by degree recipients, that is less than the proportionate representation in the general population--

- (1) As indicated by--
 - (i) The most current edition of the Department's Digest of Educational Statistics;
 - (ii) The National Research Council's Doctorate Recipients from United States Universities; or
 - (iii) Other standard statistical references, as announced annually in

the Federal Register notice inviting applications for new awards under this program; or

(2) As documented by national survey data submitted to and accepted by the Secretary on a case-by-case basis.

(Authority: 20 U.S.C. 1101 et seq.; OMB Directive No. 15)

Sec. 606.8 What is a comprehensive development plan and what must it contain?

(a) A comprehensive development plan is an institution's strategy for achieving growth and self-sufficiency by strengthening its--[[Page 70150]]

(1) Academic programs;

(2) Institutional management; and

(3) Fiscal stability.

(b) The comprehensive development plan must include the following:

(1) An analysis of the strengths, weaknesses, and significant problems of the institution's academic programs, institutional management, and fiscal stability.

(2) A delineation of the institution's goals for its academic programs, institutional management, and fiscal stability, based on the outcomes of the analysis described in paragraph (b)(1) of this section.

(3) Measurable objectives related to reaching each goal and timeframes for achieving the objectives.

(4) Methods and resources that will be used to institutionalize practices and improvements developed under the proposed project.

(5) Its five year plan to improve its services to Hispanic and other low-income students.

(Authority: 20 U.S.C. 1101 et seq.)

Sec. 606.9 What are the type, duration, and limitations in the awarding of grants under this part?

(a)(1) Under this part, the Secretary may award planning grants and two types of development grants, individual development grants and cooperative arrangement development grants.

(2) Planning grants may be awarded for a period not to exceed one year.

(3) Either type of development grant may be awarded for a period of five years.

(b)(1) An institution that received an individual development grant of five years may not subsequently receive another individual development grant for a period of two years from the date on which the five-year grant terminates.

(2) A cooperative arrangement grant is not considered to be an individual development grant under paragraph (b)(1) of this section.

(Authority: 20 U.S.C. 1101c and 1103c)

Sec. 606.10 What activities may and may not be carried out under a grant?

(a) Planning grants. Under a planning grant, a grantee shall formulate--

(1) A comprehensive development plan described in Sec. 606.8; and

(2) An application for a development grant.

(b) Development grants--allowable activities. Under a development grant, except as provided in paragraph (c) of this section, a grantee shall carry out activities that implement its comprehensive development plan and hold promise for strengthening the institution. Activities that may be carried out include, but are not limited to--

(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes.

(2) Construction, maintenance, renovation, and improvement in classrooms, libraries, laboratories, and other instructional facilities.

(3) Support of faculty exchanges, faculty development, curriculum development, academic instruction, and faculty fellowships to assist in attaining advanced degrees in the fellow's field of instruction.

(4) Purchase of library books, periodicals, and other educational materials, including telecommunications program material.

(5) Tutoring, counseling, and student service programs designed to improve academic success.

(6) Funds management, administrative management, and acquisition of equipment for use in strengthening funds management.

(7) Joint use of facilities, such as laboratories and libraries.

(8) Establishing or improving a development office to strengthen or improve contributions from alumni and the private sector.

(9) Establishing or improving an endowment fund, provided the grantee uses no more than 20 percent of its grant funds for this purpose and at least matches those grant funds with non-Federal funds.

(10) Creating or improving facilities for Internet or other distance learning academic instruction capabilities, including purchase or rental of telecommunications technology equipment or services.

(11) Establishing or enhancing a program of teacher education designed to qualify students to teach in public elementary or secondary schools.

(12) Establishing community outreach programs that will encourage elementary school and secondary school students to develop the academic skills and the interest to pursue postsecondary education.

(13) Expanding the number of Hispanic and other underrepresented graduate and professional students that can be served by the institution by expanding courses and institutional resources.

(14) Other activities that contribute to carrying out the purposes of this program.

(c) Development grants--unallowable activities. A grantee may not carry out the following activities or pay the following costs under a development grant:

(1) Activities that are not included in the grantee's approved application.

(2) Activities that are inconsistent with any State plan for higher education that is applicable to the institution, including, but not limited to, a State plan for desegregation of higher education.

(3) Activities or services that relate to sectarian instruction or religious worship.

(4) Activities provided by a school or department of divinity. For the purpose of this provision, a "school or department of divinity" means an institution, or a department of an institution, whose program is

specifically for the education of students to prepare them to become ministers of religion or to enter into some other religious vocation or to prepare them to teach theological subjects.

(5) Developing or improving non-degree or non-credit courses other than basic skills development courses.

(6) Developing or improving community-based or community services programs, unless the program provides academic-related experiences or academic credit toward a degree for degree students, or, unless it is a program or services to encourage elementary and secondary school students to develop the academic skills and the interest to pursue postsecondary education.

(7) Purchase of standard office equipment, such as furniture, file cabinets, bookcases, typewriters, or word processors.

(8) Payment of any portion of the salary of a president, vice president, or equivalent officer who has college-wide administrative authority and responsibility at an institution to fill a position under the grant such as project coordinator or activity director.

(9) Costs of organized fund-raising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred solely to raise capital or obtain contributions.

(10) Costs of student recruitment such as advertisements, literature, and college fairs.

(11) Services to high school students, unless they are services to encourage such students to develop the skills and the interest to pursue postsecondary education.

(12) Instruction in the institution's standard courses as indicated in the institution's catalog.

(13) Costs for health and fitness programs, transportation, and day care services. [[Page 70151]]

(14) Student activities such as entertainment, cultural, or social enrichment programs, publications, social clubs, or associations.

(15) Activities that are operational in nature rather than developmental in nature.

(Authority: 20 U.S.C. 1101 et seq.)

Subpart B--How Does an Institution Apply for a Grant?

Sec. 606.11 What must be included in individual development grant applications?

In addition to the information needed by the Secretary to determine whether the institution should be awarded a grant under the funding criteria contained in subpart C, an application for a development grant must include--

(a) The institution's comprehensive development plan;

(b) A description of the relationship of each activity for which grant funds are requested to the relevant goals and objectives of its plan;

(c) A description of any activities that were funded under previous development grants awarded under the Developing Hispanic-Serving Institutions Program that expired within five years of when the development grant will begin and the institution's justification for not completing the activities under the previous grant, if applicable;

(d) If the applicant is applying to carry out more than one activity--

(1) A description of those activities that would be a sound investment of Federal funds if funded separately;

(2) A description of those activities that would be a sound investment of Federal funds only if funded with the other activities; and

(3) A ranking of the activities in preferred funding order.

(Approved by the Office of Management and Budget under control number 1840-0114) (Authority: 20 U.S.C. 1101 et seq.)

Sec. 606.12 What must be included in cooperative arrangement grant applications?

(a)(1) Institutions applying for a cooperative arrangement grant shall submit only one application for that grant regardless of the number of institutions participating in the cooperative arrangement.

(2) The application must include the names of each participating institution, the role of each institution, and the rationale for each eligible participating

institution's decision to request grant funds as part of a cooperative arrangement rather than as an individual grantee.

(b) If the application is for a development grant, the application must contain--

(1) Each participating institution's comprehensive development plan;

(2) The information required under Sec. 606.11; and

(3) An explanation from each eligible participating institution of why participation in a cooperative arrangement grant rather than performance under an individual grant will better enable it to meet the goals and objectives of its comprehensive development plan at a lower cost.

(4) The name of the applicant for the group that is legally responsible for--

(i) The use of all grant funds; and

(ii) Ensuring that the project is carried out by the group in accordance with Federal requirements.

(Approved by the Office of Management and Budget under control number 1840-0114) (Authority: 20 U.S.C. 1103 and 1103e)

Sec. 606.13 How many applications for a development grant may an institution submit?

In any fiscal year, an institution of higher education may--

(a) Submit an application for an individual development grant; and

(b) Be part of a cooperative arrangement application.

(Authority: 20 U.S.C. 1101 et seq.)

Subpart C--How Does the Secretary Make an Award?

Sec. 606.20 How does the Secretary choose applications for funding?

(a) The Secretary evaluates an application on the basis of the criteria in--

(1) Sections 606.21 and 606.23 for a planning grant; and

(2) Sections 606.22, 606.23, 600.24, and 606.25 for a development grant.

(b)(1) The Secretary awards up to 100 points for the criteria in Sec. 606.21 and up to 100 points for the criteria in Sec. 606.22.

(2) The maximum possible score for each complete criterion is in parentheses.

(c)(1) The Secretary considers funding an application for a planning grant that scores at least 50 points under Sec. 606.21.

(2) The Secretary considers funding an application for a development grant that--

(i) Scores at least 50 points under Sec. 606.22;

(ii) Is submitted with a comprehensive development plan that satisfies all the elements required of such a plan under Sec. 606.8; and

(iii) In the case of an application for a cooperative arrangement grant, demonstrates that the grant will enable each eligible participant to meet the goals and objectives of its comprehensive development plan better and at a lower cost than if each eligible participant were funded individually.

(Authority: 20 U.S.C. 1101 et seq.)

Sec. 606.21 What are the selection criteria for planning grants?

The Secretary uses the following criteria to evaluate an application to determine whether the applicant will produce a good comprehensive development plan and a fundable application:

(a) Design of the planning process. (Total: 60 points) The Secretary reviews each application to determine the quality of the planning process that the applicant will use to develop a comprehensive development plan and an application for a development grant based on the extent to which--

(1) The planning process is clearly and comprehensively described and based on sound planning practice (15 points);

(2) The president or chief executive officer, administrators and other institutional personnel, students, and governing board members systematically and consistently will be involved in the planning process (15 points);

(3) The applicant will use its own resources to help implement the project (10 points); and

(4) The planning process is likely to achieve its intended results (20 points).

(b) Key personnel. (Total: 20 points) The Secretary reviews each application to determine the quality of key personnel to be involved in the project based on the extent to which--

(1) The past experience and training of key personnel such as the project coordinator and persons who have key roles in the planning process are suitable to the tasks to be performed (10 points); and

(2) The time commitments of key personnel are adequate (10 points).

(c) Project Management. (Total: 15 points) The Secretary reviews each application to determine the quality of the plan to manage the project effectively based on the extent to which--

(1) The procedures for managing the project are likely to ensure effective and efficient project implementation (10 points); and

(2) The project coordinator has sufficient authority, including access to the president or chief executive officer, to conduct the project effectively (5 points).

(d) Budget. (Total: 5 points) The Secretary reviews each application to [[Page 70152]] determine the extent to which the proposed project costs are necessary and reasonable.

(Approved by the Office of Management and Budget under control number 1840-0114)(Authority: 20 U.S.C. 1101 et seq.)

Sec. 606.22 What are the selection criteria for development grants?

The Secretary uses the following criteria to evaluate applications for development grants:

(a) Quality of the applicant's comprehensive development plan. (Total: 30 points) The extent to which--

(1) The strengths, weaknesses, and significant problems of the institution's academic programs, institutional management, and fiscal stability are clearly and comprehensively analyzed and result from a process that involved major constituencies of the institution. (12 points);

(2) The goals for the institution's academic programs, institutional management, and fiscal stability are realistic and based on comprehensive analysis. (5 points);

(3) The objectives stated in the plan are measurable, related to institutional goals, and, if achieved, will contribute to the growth and self-sufficiency of the institution (5 points);

(4) The plan clearly and comprehensively describes the methods and resources the institution will use to institutionalize practice and improvements developed under the proposed project, including, in particular, how operational costs for personnel, maintenance, and upgrades of equipment will be paid with institutional resources (8 points).

(b) Quality of activity objectives. (Total: 10 points) The extent to which the objectives for each activity are--

(1) Realistic and defined in terms of measurable results (5 points); and

(2) Directly related to the problems to be solved and to the goals of the comprehensive development plan (5 points).

(c) Quality of implementation strategy. (Total: 25 points) The extent to which--

(1) The implementation strategy for each activity is comprehensive (10 points);

(2) The rationale for the implementation strategy for each activity is clearly described and is supported by the results of relevant studies or projects (10 points); and

(3) The timetable for each activity is realistic and likely to be attained (5 points).

(d) Quality of key personnel. (Total: 10 points) The extent to which--

(1) The past experience and training of key professional personnel are directly related to the stated activity objectives (7 points); and

(2) The time commitment of key personnel is realistic (3 points).

(e) Quality of project management plan. (Total: 10 points) The extent to which--

(1) Procedures for managing the project are likely to ensure efficient and effective project implementation (5 points); and

(2) The project coordinator and activity directors have sufficient authority to conduct the project effectively, including access to the president or chief executive officer (5 points).

(f) Quality of evaluation plan. (Total: 10 points) The extent to which--

(1) The data elements and the data collection procedures are clearly described and appropriate to measure the attainment of activity objectives and to measure the success of the project in achieving the goals of the comprehensive development plan (5 points); and

(2) The data analysis procedures are clearly described and are likely to produce formative and summative results on attaining activity objectives and measuring the success of the project on achieving the goals of the comprehensive development plan (5 points).

(g) Budget. (Total: 5 points) The extent to which the proposed costs are necessary and reasonable in relation to the project's objectives and scope.

(Approved by the Office of Management and Budget under control number 1840-0114)(Authority: 20 U.S.C. 1101 et seq.)

Sec. 606.23 What special funding consideration does the Secretary provide?

(a) If funds are available to fund only one additional planning grant and each of the next fundable applications has received the same number of points under Sec. 606.21, the Secretary awards additional points, up to a maximum of two points, to any of those applicants that--

(1) Has an endowment fund of which the current market value, per full-time equivalent enrolled student, is less than the average current market value of the endowment funds, per full-time equivalent enrolled student, at similar type institutions; (one point) or

(2) Has expenditures for library materials per full-time equivalent enrolled student which are less than the average expenditure for library materials per full-time equivalent enrolled student at similar type institutions. (one point)

(b) If funds are available to fund only one additional development grant and each of the next fundable applications has received the same number of points under Sec. 606.22, the Secretary will award additional points, up to a maximum of three points, to any of those applicants that--

(1) Has an endowment fund of which the current market value, per full-time equivalent enrolled student, is less than the average current market value of the endowment funds, per full-time equivalent enrolled student, at comparable institutions that offer similar instruction;(one point)

(2) Has expenditures for library materials per full-time equivalent enrolled student that are less than the average expenditures for library materials per full-time equivalent enrolled student at comparable institutions that offer similar instruction (one point); or

(3) Propose to carry out one or more of the following activities--

(i) Faculty development;

(ii) Funds and administrative management;

(iii) Development and improvement of academic programs;

(iv) Acquisition of equipment for use in strengthening management and academic programs;

(v) Joint use of facilities; and

(vi) Student services. (one point)

(c) As used in this section, an "endowment fund" does not include any fund established or supported under 34 CFR part 628.

(d) Each year, the Secretary provides prospective applicants with the average market value of endowment funds and the average expenditure of library materials per full-time equivalent student.

(e) The Secretary gives priority to each application that contains satisfactory evidence that the applicant has entered into or will enter into a collaborative arrangement with at least one local educational agency or community-based organization to provide that agency or organization with assistance (from funds other than funds provided under this part) in--

(1) Reducing the dropout rates of Hispanic students;

(2) Improving rates of academic achievement of Hispanic students; and

(3) Increasing the rates at which Hispanic high school graduates enroll in higher education.

(Authority: 20 U.S.C. 1101 et seq.)[[Page 70153]]

Sec. 606.24 How does the Secretary use an applicant's performance under a previous development grant when awarding a development grant?

(a)(1) In addition to evaluating an application under the selection criteria in Sec. 606.22, the Secretary evaluates an applicant's performance under any previous development grant awarded under the Developing Hispanic-Serving Institutions Program that expired within five years of the year when the development grant will begin.

(2) The Secretary evaluates whether the applicant fulfilled, or is making substantial progress toward fulfilling, the goals and objectives of the previous grant, including, but not limited to, the applicant's success in institutionalizing practices developed and improvements made under the grant.

(3) The Secretary bases the evaluation of the applicant's performance on information contained in--

(i) Performance and evaluation reports submitted by the applicant;

(ii) Audit reports submitted on behalf of the applicant; and

(iii) Other information obtained by the Secretary, including reports prepared by the Department.

(b) If the Secretary initially determines that the applicant did not fulfill the goals and objectives of a previous grant or is not making substantial progress towards fulfilling those goals and objectives, the Secretary affords the applicant the opportunity to respond to that initial determination.

(c) If the Secretary determines that the applicant did not fulfill the goals and objectives of a previous grant or is not making substantial progress towards fulfilling those goals and objectives, the Secretary may--

(1) Decide not to fund the applicant; or

(2) Fund the applicant but impose special grant terms and conditions, such as specific reporting and monitoring requirements.

(Authority: 20 U.S.C. 1101 et seq.)

Sec. 606.25 What priority does the Secretary use in awarding cooperative arrangement grants?

Among applications for cooperative arrangement grants, the Secretary

gives priority to proposed cooperative arrangements that are geographically and economically sound, or will benefit the institutions applying for the grant.

(Authority: 20 U.S.C. 1101 et seq.)

Subpart D--What Conditions Must a Grantee Meet?

Sec. 606.30 What are allowable costs and what are the limitations on allowable costs?

(a) Allowable costs. Except as provided in paragraphs (b) and (c) of this section, a grantee may expend grant funds for activities that are related to carrying out the allowable activities included in its approved application.

(b) Supplement and not supplant. Grant funds shall be used so that they supplement and, to the extent practical, increase the funds that would otherwise be available for the activities to be carried out under the grant and in no case supplant those funds.

(c) Limitations on allowable costs. A grantee may not use an indirect cost rate to determine allowable costs under its grant.

(Authority: 20 U.S.C. 1101 et seq.)

Sec. 606.31 How does a grantee maintain its eligibility?

(a) A grantee shall maintain its eligibility under the requirements in

Sec. 606.2, except for Sec. 606.2(a)(3) and (4), for the duration of the grant period.

(b) The Secretary reviews an institution's application for a continuation award to ensure that--

(1) The institution continues to meet the eligibility requirements described in paragraph (a) of this section; and

(2) The institution is making substantial progress toward achieving the objectives described in its grant application including, if applicable, the institution's success in institutionalizing practices and improvements developed under the grant.

Title V Endowment Regulations

Amendment to the Code of Federal Regulations PART 606 (December 19, 2000)

The following is an excerpt from the notice of final regulations published December 19, 2000 in the Federal Register concerning the endowment component of the Developing Hispanic-Serving Institutions Program. The notice amends section 606.10 of the Program regulations with the addition of subsection (d).

Sec. 606.10 What activities may and may not be carried out under a grant?

(d) Endowment funds. If a grantee uses part of its grant funds to establish or increase an endowment fund, it must comply with the provisions of Secs. 628.3, 628.6, 628.10, and 628.41 through 628.47 of this chapter with regard to the use of those funds, except--

(1) The definition of the term "endowment fund income" in Sec. 628.6 of this chapter does not apply. For purposes of this paragraph (d), "endowment fund income" means an amount equal to the total value of the fund, including fund appreciation and retained interest and dividends, minus the endowment fund corpus;

(2) Instead of the requirement in Sec. 628.10(a) of this chapter, the grantee institution must match each dollar of Federal grant funds used to establish or increase an endowment fund with one dollar of non-Federal funds; and

(3) Instead of the requirements in Sec. 628.41(a)(3) through (a)(5) and the

introductory text in Sec. 628.41(b) and Sec. 628.41(b)(2) and (b)(3) of this chapter, if a grantee institution decides to use any of its grant funds for endowment purposes, it must match those grant funds immediately with non-Federal funds when it places those funds into its endowment fund.

For your information, the relevant sections from the Endowment Challenge Grant Program (34 CFR Part 628) follow:

628.3 Under what conditions may an eligible institution designate a foundation as the recipient of an endowment challenge grant?

An eligible institution may designate a foundation, which was established for the purpose of raising money for that institution, as the recipient of an endowment challenge grant if--

(a) The institution assures the Secretary in its application that the foundation is legally authorized to receive the endowment fund corpus and to administer the endowment fund in accordance with the regulations in this part;

(b) The foundation agrees to administer the endowment fund in accordance with the regulations in this part; and

(c) The institution agrees to be liable for any violation by the foundation of any applicable regulation, including any violation resulting in monetary liability.

(Authority: 20 U.S.C. 1065)

628.6 What definitions apply to the Endowment Challenge Grant Program?

The following definitions apply to the regulations in this part:

Endowment fund means a fund which excludes real estate and which is established by State law, by an institution, or by a foundation that is exempt from taxation and is maintained for the purpose of generating income for the support of the institution. The principal or corpus of the fund may not be spent. "Endowment fund" includes "quasi-endowment fund".

Endowment fund corpus means an amount equal to the endowment challenge grant or grants awarded under this part plus matching funds provided by the institution.

Endowment fund income means an amount equal to the total value of the endowment fund established under the grant minus the endowment fund corpus.

Quasi-endowment fund means a fund which the governing board of an institution or foundation establishes to function as an endowment in that the principal is to be retained and invested. However, the entire principal and income may be spent at any time at the discretion of the governing board.

(Authority: 20 U.S.C. 1065)
[49 FR 28521, July 21, 1984, as amended at 52 FR 11258, Apr. 8, 1987; 52 FR 36375, Sept. 28, 1987; 58 FR 11163, Feb. 23, 1993]

628.10 What are the characteristics of an endowment challenge grant?

Each endowment challenge grant awarded by the Secretary under this part--

(a) Must be matched by the institution receiving the grant with one dollar of non-Federal funds for every two dollars of Federal grant funds;

(b) Must be invested by the institution; and

(c) Must have a duration of 20 years.

(Authority: 20 U.S.C. 1065)
[58 FR 11163, Feb. 23, 1993]

628.41 What are the obligations of an institution that the Secretary selects to receive an endowment challenge grant?

(a) An institution that the Secretary selects to receive an endowment challenge grant shall--

(1) Enter into an agreement with the Secretary to administer the endowment challenge grant;

(2) Establish an endowment fund independent of any other endowment fund established by or for that institution;

(3) Deposit its matching funds in the endowment fund established under this part;

(4) Upon receipt, immediately deposit the grant funds into the endowment fund established under this part; and

(5) Within fifteen working days after receiving the grant funds, invest the endowment fund corpus.

(b) Before the Secretary disburses grant funds and not later than a date established by the Secretary through a notice in the Federal Register (which date may not be later than the earlier of the last day

of availability of appropriations or eighteen months after an institution has been notified that it has been selected to receive a grant), an institution shall--

(1) Match with cash or low-risk securities, the endowment challenge grant funds to be received under this part;

(2) Certify to the Secretary--

(i) The source, kind and amount of the eligible matching funds;

(ii) That the matching funds are eligible under paragraph (b)(1) of this section and Sec. 628.42; and

(3) Have a certified public accountant or other licensed public accountant, who is not an employee of the institution, certify that the data contained in the application is accurate.

(c)(1) For the purpose of paragraph (b)(1) of this section, "cash" may include cash on hand, certificates of deposit and money market funds; and

(2) A negotiable security, to be considered as part of the institution's match--

(i) Must be low-risk as required in Sec. 628.43; and

(ii) Must be assessed at its market value as of the end of the trading day on the date the institution deposits the security into the endowment fund established under this part.

(Approved by the Office of Management and Budget under control number 1840-0564)
(Authority: 20 U.S.C. 1065)
[49 FR 28521, July 21, 1984, as amended at 49 FR 37325, Sept. 21, 1984; 52 FR 11258, Apr. 8, 1987; 53 FR 49146, Dec. 6, 1988]

628.42 What may a grantee not use to match an endowment challenge grant?

To match an endowment challenge grant, a grantee may not use--

(a) A pledge of funds or securities;

(b) Deferred gifts such as a charitable remainder annuity trust or unitrust;

(c) Any Federal funds;

(d) Any borrowed funds; or

(e) The corpus or income of an endowment fund or quasi-endowment fund existing at the closing date established by the Secretary for submission of eligibility requests under the Endowment Challenge Grant Program. This includes the corpus or income of an endowment or quasi-endowment fund established by a foundation if the foundation is tax-exempt and was established for the purpose of raising money for the institution.

(Authority: 20 U.S.C. 1065)

628.43 What investment standards shall a grantee follow?

(a) A grantee shall invest, for the duration of the grant period, the

endowment fund established under this part in savings accounts or in low-risk securities in which a regulated insurance company may invest under the law of the State in which the institution is located.

(b) When investing the endowment fund, the grantee shall exercise the judgment and care, under the circumstances, that a person of prudence, discretion and intelligence would exercise in the management of his or her own financial affairs.

(c) An institution may invest its endowment fund in savings accounts permitted under paragraph (a) of this section such as--

(1) A federally insured bank savings account;

(2) A comparable interest bearing account offered by a bank; or

(3) A money market fund.

(d) An institution may invest its endowment fund in low-risk securities permitted under paragraph (a) of this section such as--

(1) Certificates of deposit;

(2) Mutual funds;

(3) Stocks; or

(4) Bonds.

(e) An institution may not invest its endowment fund in real estate.

(Authority: 20 U.S.C. 1065)

628.44 When and for what purposes may a grantee use the endowment fund corpus?

(a)(1) During the grant period, a grantee may not withdraw or spend any part of the endowment fund corpus.

(2) If, during the grant period, a grantee withdraws or spends all or part of the endowment fund corpus, it must repay to the Secretary an amount equal of 50 percent of the amount withdrawn or spent plus the income earned on that amount.

(b) At the end of the grant period, the institution may use the endowment fund corpus for any educational purpose.

(Authority: 20 U.S.C. 1065)

628.45 How much endowment fund income may a grantee use and for what purposes?

(a) During the endowment challenge grant period, a grantee--

(1) May withdraw and spend up to 50 percent of the total aggregate endowment fund income earned prior to the date of expenditure;

(2) May spend the endowment fund income for--

(i) Costs necessary to operate the institution, including general operating and maintenance costs;

(ii) Costs to administer and manage the endowment fund; and

(iii) Costs associated with buying and selling securities, such as stockbroker commissions and fees to "load" mutual funds;

(3) May not use endowment fund income for--

(i) A school or department of divinity or any religious worship or sectarian activity;

(ii) An activity that is inconsistent with a State plan for desegregation applicable to the grantee; or

(iii) An activity that is inconsistent with a State plan applicable to the grantee; and

(4) May not withdraw or spend the remaining 50 percent of the endowment fund income.

(b) Notwithstanding paragraph (a)(1) of this section, the Secretary may permit a grantee that requests to spend more than 50 percent of the total aggregate endowment fund income to do so if the grantee demonstrates that the expenditure is necessary because of--

(1) A financial emergency such as a pending insolvency or temporary liquidity problem;

(2) A situation threatening the existence of the institution such as

destruction due to a natural disaster or arson; or

(3) Another unusual occurrence or demanding circumstance, such as a judgment against the institution for which the institution would be liable.

(c) If, during the grant period, a grantee spends more endowment fund income or uses it for purposes other than permitted under paragraphs (a) or (b) of this section, it shall repay to the Secretary an amount equal to 50 percent of the amount improperly spent.

(d) At the end of the grant period, the institution may use all of the endowment fund income for any educational purpose.

(Authority: 20 U.S.C. 1065)
[49 FR 28521, July 21, 1984, as amended at 52 FR 11258, Apr. 8, 1987; 58 FR 11163, Feb. 23, 1993]

628.46 How shall a grantee calculate the amount of endowment fund income that it may withdraw and spend?

A grantee shall calculate the amount of endowment fund income that it may withdraw and spend at a particular time as follows:

(a) On each date that the grantee plans a withdrawal of income, it must--

(1) Determine the value of endowment fund income by subtracting the endowment fund corpus from the current total value of the endowment fund on that date; and

(2) Calculate the amount of endowment fund income previously withdrawn from the endowment fund.

(b) If the value of endowment fund income in the endowment fund exceeds the aggregate amount of previously withdrawn endowment fund income, the grantee may withdraw and

spend up to 50 percent of that excess fund income.

(Authority: 20 U.S.C. 1065)
[49 FR 28521, July 21, 1984, as amended at 52 FR 11258, Apr. 8, 1987]

628.47 What shall a grantee record and report?

A grantee shall--

(a) Keep records of--

(1) The source, kind and amount of matching funds;

(2) The type and amount of investments of the endowment fund;

(3) The amount of endowment fund income; and

(4) The amount and purpose of expenditures of endowment fund income;

(b) Retain each year's records for a minimum of five years after the grant period ends;

(c) Allow the Secretary access to information that the Secretary judges necessary to audit or examine the records required in paragraph (a) of this section;

(d) Carry out the audit required in 34 CFR 74.61(h) or 80.26 and the appendix to 34 CFR part 80, as applicable;

(e) Provide to the Secretary a copy of the external or internal audit to be performed under 34 CFR 74.61(h) or 80.26 and the appendix to 34 CFR part 80, as applicable; and

(f) Submit reports on a timely basis that are requested by the .

(Approved by the Office of Management and Budget under control number 1840-0564)

(Authority: 20 U.S.C. 1065 and 1232f)
[49 FR 28521, July 12, 1984, as amended at 52 FR 11258, Apr. 8, 1987; 53 FR 49146, Dec. 6, 1988; 58 FR 11164, Feb. 23, 1993]

Title V Branch Campuses

Amendment to the Code of Federal Regulations PART 606 (January 8, 2001)

The following is a copy of the notice of final regulations published January 8, 2001 in the *Federal Register* concerning a clarification of the eligibility of branch campuses for the Developing Hispanic-Serving Institutions Program.

DEPARTMENT OF EDUCATION
34 CFR Part 606

Developing Hispanic-Serving Institutions Program

AGENCY: Office of Postsecondary Education, Department of Education.
ACTION: Final regulations.

SUMMARY: When we published final regulations for the Developing Hispanic-Serving Institutions (HSI) Program in the *Federal Register* of

December 15, 1999, it appears that one of the regulatory provisions, dealing with the eligibility of branch campuses to receive grants, could be viewed in a manner that would result in an unintended change of policy. To rectify this problem, we are revising that regulation to more clearly reflect our long standing policy that a branch campus is eligible to apply for an HSI

grant if the branch campus serves the appropriate number of Hispanic students even if the main campus does not.

DATES: These regulations are effective February 7, 2001.

FOR FURTHER INFORMATION

CONTACT: Sophia McArdle, U.S. Department of Education, 1990 K Street, NW., Room 6061, Washington, DC 20006-8512. Telephone: (202) 219-7078. If you use a telecommunications device for the deaf (TDD), you may call the Federal Information Relay Service (FIRS) at 1-800-877-8339.

Individuals with disabilities may obtain this document in an alternative format (e.g., Braille, large print, audiotape, or computer diskette) on request to the contact person listed under **FOR FURTHER INFORMATION CONTACT**.

SUPPLEMENTARY INFORMATION: Background

The Higher Education Amendments of 1992, Pub. Law 102-325, amended the Higher Education Act of 1965, as amended (HEA), by adding the Developing Hispanic Serving-Institutions (HSI) Program as an authorized program under Title III, Part A of the HEA. The HSI Program was authorized in section 316 of Title III of the HEA.

Under section 316, in general, an HIS institution was an institution that satisfied the statutory definition of an "eligible institution" contained in section 312 of the HEA, and had at least 25 percent of its enrollment consist of Hispanic students. An eligible institution under section 312 of the HEA basically satisfied four conditions. Two of the conditions related to accreditation and licensure. The other two required the institution to have a high percentage of low income students and low education and general (E&G) expenditures.

Under section 312, a branch campus of an eligible institution also qualified as an eligible institution if its main campus satisfied all four conditions and it, on its own, satisfied the last two. Regulations that we promulgated to implement these institutional eligibility requirements were codified in 34 CFR 607.2(b) and (d). The regulations did not specifically address whether the main campus of a branch campus that applied for an HSI Program grant had to satisfy the Hispanic student enrollment requirement. However, it was the Department's policy that a main campus did not have to qualify as

an eligible HSI institution in terms of student enrollment if the branch campus is qualified.

In the Higher Education Amendments of 1998, Public Law 105-244, the Congress moved the HSI Program into Title V of the HEA and reenacted, in that title, all the relevant provisions that governed that program while it was part of Title III of the HEA. To accommodate that statutory change, we codified all the HSI Program requirements in a new part, 34 CFR Part 606. The recodification was technical in nature and did not involve any change in policy. Therefore, when we published Part 606 in the **Federal Register** on December 15, 1999, we waived rulemaking. However, it has recently come to our attention that one of the recodified regulatory provisions has been read by some as though it, in fact, made a change in policy. That provision was § 606.2(b), relating to the eligibility of a branch campus to qualify as an eligible HSI institution.

As presently written, it could be viewed that in order for a branch campus to qualify as an eligible HIS institution, it and its main campus must have an enrollment of at least 25 percent Hispanic students. As described above, however, such a reading would be inconsistent with the Department's policy that the main campus does not have to satisfy that requirement along with the branch campus. Therefore, we are revising §602.2(b) to more clearly reflect the Department's long-standing policy.

Waiver of Proposed Rulemaking

Under the Administrative Procedure Act (5 U.S.C. 553), the Department generally offers interested parties the opportunity to comment on proposed regulations. However, these regulations merely clarify statutory changes and do not establish or effect substantive policy. Therefore, under 5 U.S.C. 553(b)(8), the Secretary has determined that proposed regulations are unnecessary and contrary to public interest.

Regulatory Flexibility Act Certification

The Secretary certifies that these regulations would not have a significant economic impact on a substantial number of small entities.

The small entities that would be affected by these regulations are small institutions of higher education (IHEs) receiving Federal funds under this program. However, the regulations would not have a significant economic

impact on the small IHEs affected because the regulations would not impose excessive regulatory burdens or require unnecessary Federal supervision. The regulations would impose minimal requirements to ensure the proper expenditure of program funds.

Paperwork Reduction Act of 1995

These final regulations do not contain any information collection requirements.

Electronic Access to this Document

You may view this document, as well as all other Department of Education documents published in the **Federal Register**, in text or Adobe Portable Document Format (PDF) on the Internet at either of the following sites: <http://ocfo.ed.gov/fedreg.htm> <http://www.ed.gov/news.html>

To use PDF, you must have Adobe Acrobat Reader which is available free at either of the previous sites. If you have questions about using PDF, call the U.S. Government Printing Office (GPO), toll free, at 1-888-293-6498; or in the Washington, DC area at (202) 512-1530.

Note: The official version of this document is the document published in the **Federal Register**. Free internet access to the official edition of the **Federal Register** and the Code of Federal Regulations is available on GPOAccess at: <http://www.access.gpo.gov/nara/index.html>

(Catalog of Federal Domestic Assistance Numbers: 84.031S, 84.031A, and 84.031B)

List of Subjects in 34 CFR Part 606

Colleges and universities, Grant programs-education, Reporting and recordkeeping requirements.

Dated: December 29, 2000.

A. Lee Fritschler

Assistant Secretary, Office of Postsecondary Education.

For the reasons discussed in the preamble, the Secretary amends Title 34 of the Code of Federal Regulations by amending part 606 as follows:

PART 606—DEVELOPING HISPANIC-SERVING INSTITUTIONS PROGRAM

1. The authority citation for part 606 continues to read as follows:

Authority: 20 U.S.C. 1101 *et seq.*, unless otherwise noted.

2. Section 606.2 is amended by revising paragraph (b) to read as follows:

§ 606.2 What institutions are eligible to receive a grant under the Developing Hispanic-Serving Institutions Program?

(b) A branch campus of a Hispanic-Serving institution is eligible to receive a grant under this part if—
(1) The institution as a whole meets the requirements of paragraphs (a)(3) through (a)(6) of this section; and (2)

The branch campus satisfies the requirements of paragraphs (a)(1) through (a)(4) of this section.

[FR Doc. 01-430 Filed 1-5-01; 8:45 am]
BILLING CODE 4000-01-U

**Title V FY 2003
Application Instructions
and Forms**

Instructions for FORM ED 424

- 1. Legal Name and Address.** Enter the legal name of applicant and the name of the primary organizational unit which will undertake the assistance activity.
- 2. D-U-N-S Number.** Enter the applicant's D-U-N-S Number. If your organization does not have a D-U-N-S Number, you can obtain the number by calling 1-800-333-0505 or by completing a D-U-N-S Number Request Form. The form can be obtained via the Internet at the following URL: <http://www.dnb.com>.
- 3. Tax Identification Number.** Enter the taxpayer's identification number as assigned by the Internal Revenue Service.
- 4. Catalog of Federal Domestic Assistance (CFDA) Number.** Enter the CFDA number and title of the program under which assistance is requested. The CFDA number can be found in the federal register notice and the application package.
- 5. Project Director.** Name, address, telephone and fax numbers, and e-mail address of the person to be contacted on matters involving this application.
- 6. Novice Applicant.** Check "Yes" or "No" only if assistance is being requested under a program that gives special consideration to novice applicants. Otherwise, **leave blank.**

Check "Yes" if you meet the requirements for novice applicants specified in the regulations in 34 CFR 75.225 and included on the attached page entitled "Definitions for Form ED 424." By checking "Yes" the applicant certifies that it meets these novice applicant requirements. Check "No" if you do not meet the requirements for novice applicants.
- 7. Federal Debt Delinquency.** Check "Yes" if the applicant's organization is delinquent on any Federal debt. (This question refers to the applicant's organization and not to the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.) Otherwise, check "No."
- 8. Type of Applicant.** Enter the appropriate letter in

the box provided.

- 9. Type of Submission.** See "Definitions for Form ED 424" attached.
- 10. Executive Order 12372.** See "Definitions for Form ED 424" attached. Check "Yes" if the application is subject to review by E.O. 12372. Also, please enter the month, day, and four (4) digit year (e.g., 12/12/2001). Otherwise, check "No."
- 11. Proposed Project Dates.** Please enter the month, day, and four (4) digit year (e.g., 12/12/2001).
- 12. Human Subjects Research.** (See I.A. "Definitions" in attached page entitled "Definitions for Form ED 424.")

If Not Human Subjects Research. Check "No" if research activities involving human subjects are not planned at any time during the proposed project period. The remaining parts of Item 12 are then not applicable.

If Human Subjects Research. Check "Yes" if research activities involving human subjects are planned at any time during the proposed project period, either at the applicant organization or at any other performance site or collaborating institution. Check "Yes" even if the research is exempt from the regulations for the protection of human subjects. (See I.B. "Exemptions" in attached page entitled "Definitions for Form ED 424.")

12a. If Human Subjects Research is Exempt from the Human Subjects Regulations. Check "Yes" if all the research activities proposed are designated to be exempt from the regulations. Insert the exemption number(s) corresponding to one or more of the six exemption categories listed in I.B. "Exemptions." In addition, follow the instructions in II.A. "Exempt Research Narrative" in the attached page entitled "Definitions for Form ED 424." Insert this narrative immediately following the ED 424 face page.

12a. If Human Subjects Research is Not Exempt from Human Subjects Regulations. Check "No" if some or all of the planned research activities are covered (not exempt), and provide the assurance number if available. In addition,

follow the instructions in II.B. "Nonexempt Research Narrative" in the page entitled

12a. Human Subjects Assurance Number. If the applicant has an approved Federal Wide (FWA) or Multiple Project Assurance (MPA) with the Office for Human Research Protections (OHRP), U.S. Department of Health and Human Services, that covers the specific activity, insert the number in the space provided. If the applicant does not have an approved assurance on file with OHRP, enter "None" in item 12b. In this case, the applicant, by signature on the face page, is declaring that it will comply with 34 CFR 97 and proceed to obtain the human subjects assurance upon request by the designated ED official. If the application is recommended/selected for funding, the designated ED official will request that the applicant obtain the assurance within 30 days after the specific formal request.

Note about Institutional Review Board Approval.

ED does not require certification of Institutional Review Board approval with the application. However, if an application that involves non-exempt human subjects research is recommended/selected for funding, the designated ED official will request that the applicant obtain and send the certification to ED within 30 days after the formal request.

13. Project Title. Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For preapplications, use a separate sheet to provide a summary description of this project.

14. Estimated Funding. Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate **only** the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 14.

15. Certification. To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. Be sure to enter

the telephone and fax number and e-mail address of the authorized representative. Also, in item 15e, please enter the month, day, and four (4) digit year (e.g., 12/12/2001) in the date signed field.

INSTRUCTIONS FOR PAGE 2 (SIDE 2 OF ED FORM 424)

1. Enter the full-time equivalent (FTE) enrollment for Fall, 1999. Calculate FTE enrollment as follows:

- Total the number of full-time students in Fall 1999. This number is the FTE of full-time students. A "full-time student" is, for undergraduates, one whose academic load (course work and other required activity) is at least 75% of the normal full-time load at the institution. For graduate students, one FTE is one whose academic load, course work, and other required activities, totals at least 9 credit hours.
- Total the FTE of part-time students. Add the total number of credit hours of all part-time undergraduate students enrolled in Fall 1999, then divide that number by 12. The result is the FTE of part-time undergraduate students. Do the same for graduate students but divide the total by 9. Then add the two numbers to get the total FTE of part-time students.
- Add the FTE of full-time students and the FTE of part-time students. The result is the FTE enrollment for Fall 1999.

1.a) Enter the total market value of the institution's endowment at the end of the college's base fiscal year (1999-00).

1.b) Enter the total expenditures for library materials during the base year (1999-00).

NOTE: Failure to provide information requested in items 1.a) and 1.b) above may result in the Department not considering the application under a tie-breaking situation.

2. Enter the name, phone and extension number of the contact person for the Title V application if that person is different from the person named in item 4 on the first page of ED FORM 424.

3. When applying for a development grant, provide a single-spaced abstract of the project following strictly the fictitious sample we provided below.

Please mark any additional sheet(s) with your institution's name, and number the pages (e.g., "Cedar College, PA") and number the pages consecutively.

IMPORTANT:

Please include the Dual Submission Certification on page 63, after the completed ED FORM 424 if your institution is applying for more than one of the following grants: Strengthening Institutions Program, American Indian Tribally-Controlled Colleges and Universities Program, Native Hawaiian-Serving Institutions Program, Alaska Native-Serving Institutions Program, and Title V Hispanic-Serving Institutions Program.

You may also need to include additional information. Please refer to the Protection of Human Subjects in Research (Attachment to ED 424) instructions on page 59.

Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is **1875-0106**. The time required to complete this information collection is estimated to average between 15 and 45 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. **If you have any comments concerning the accuracy of the estimate(s) or suggestions for improving this form, please write to:** U.S. Department of Education, Washington, D.C. 20202-4651. **If you have comments or concerns regarding the status of your individual submission of this form, write directly to:** Joyce I. Mays, Application Control Center, U.S. Department of Education, 7th and D Streets, S.W., ROB-3, Room 3633, Washington, D.C. 20202

SAMPLE PROJECT ABSTRACT

Regular College, Cleveland, Kansas. Located in central Plains, founded in 1902, affiliated with United Church, 4-year private, 980 students in Fall of 1996, current operating budget of \$10.3 million for 1995-96. Phone: 616-245-9872, FAX: 616-245-9043.

Contact Person: Joseph Doe

E-MAIL Address: JOE@ED.KS.UMC

Activity 1--\$1,327,312 over five years. *Improved retention through wide area network.*

To improve student success through advising and to increase retention by expanding access to campus-wide externally linked network. Sample of key measures: a) The average score for the 12 most relevant items for the Spring 2001 ACT Student Satisfaction Survey will increase by one-fourth standard deviation from the average standard deviation the previous year. b) The college's retention rate for freshman to sophomore will increase 2% per year. c) The college's graduation rate will be increased by 3.75% per year from the baseline year. Approximately 51% (\$677K) of the 5-year activity budget is for hardware and software. Approximately 21% (\$279K) will buy a network manager and user support technician. About 24% (\$323K) is for data migration and maintenance for the database and administration system. About 3% (\$41K) is for training. The Director of Learning and Info Services directs the activity at 70% time but paid by college.

Activity 2 -- \$293,800 over three years. *Developing faculty to use technology in classroom.*

To improve student learning outcomes and retention through a comprehensive faculty development program that will result in revision and development of courses integrating technology. Sample of key measures: a) The college's overall retention rate will be increased 2% per year over previous year. b) The student learning outcomes will improve pre-established baseline in redesigned courses piloted during each year. c) 60% of the 51 faculty will know about applications of technology through a faculty development program and they will increase their ability to use technical vocabulary and demonstrate a recognition of educational software in their fields as shown by an annual faculty survey. d) 25 faculty will have piloted courses using technology as shown through course syllabi, evaluation plans, and instruments. About 59% (\$172K) of the activity budget goes to buying an outsider, full-time instructional media technology specialist. About 25% (\$75K) will be spent on hardware and software. About 8% (\$25K) will go toward 3 hours released time or summer stipend for 30 faculty to redesign their courses integrating technology. About 7% (\$19K) will be for travel to pertinent technology conferences, visits to other colleges and businesses.

Project management and evaluation -- \$111,994 About 86% of this budget goes to support a 30% time Title V coordinator and a 75% time secretary. About 4% is for formative and summative evaluation by an outside consultant.

Definitions for Form ED 424

Novice Applicant (See 34 CFR 75.225). For discretionary grant programs under which the Secretary gives special consideration to novice applications, a novice applicant means any applicant for a grant from ED that—

- Has never received a grant or subgrant under the program from which it seeks funding;
- Has never been a member of a group application, submitted in accordance with 34 CFR 75.127-75.129, that received a grant under the program from which it seeks funding; and
- Has not had an active discretionary grant from the Federal government in the five years before the deadline date for applications under the program. For the purposes of this requirement, a grant is active until the end of the grant's project or funding period, including any extensions of those periods that extend the grantee's authority to obligate funds.

In the case of a group application submitted in accordance with 34 CFR 75.127-75.129, a group includes only parties that meet the requirements listed above.

Type of Submission. “Construction” includes construction of new buildings and acquisition, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings, or any combination of such activities (including architects' fees and the cost of acquisition of land). “Construction” also includes remodeling to meet standards, remodeling designed to conserve energy, renovation or remodeling to accommodate new technologies, and the purchase of existing historic buildings for conversion to public libraries. For the purposes of this paragraph, the term “equipment” includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them; and such term includes all other items necessary for the functioning of a particular facility as a facility for the provision of library services.

Executive Order 12372. The purpose of Executive Order 12372 is to foster an intergovernmental partnership and strengthen federalism by relying on State and local processes for the coordination and review of proposed Federal financial assistance and direct Federal development. The application notice, as published in the Federal Register, informs the applicant as to whether the program is subject to the requirements

of E.O. 12372. In addition, the application package contains information on the State Single Point of Contact. An applicant is still eligible to apply for a grant or grants even if its respective State, Territory, Commonwealth, etc. does not have a State Single Point of Contact. For additional information on E.O. 12372 go to <http://www.cfda.gov/public/eo12372.htm>.

PROTECTION OF HUMAN SUBJECTS IN RESEARCH

I. Definitions and Exemptions

A. Definitions.

A research activity involves human subjects if the activity is research, as defined in the Department's regulations, and the research activity will involve use of human subjects, as defined in the regulations.

—Research

The ED Regulations for the Protection of Human Subjects, Title 34, Code of Federal Regulations, Part 97, define research as “a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge.” *If an activity follows a deliberate plan whose purpose is to develop or contribute to generalizable knowledge it is research.* Activities which meet this definition constitute research whether or not they are conducted or supported under a program which is considered research for other purposes. For example, some demonstration and service programs may include research activities.

—Human Subject

The regulations define human subject as “a living individual about whom an investigator (whether professional or student) conducting research obtains (1) data through intervention or interaction with the individual, or (2) identifiable private information.” (1) *If an activity involves obtaining information about a living person by manipulating that person or that person's environment, as might occur when a new instructional technique is tested, or by communicating or interacting with the individual, as occurs with surveys and interviews, the definition of human subject is met.* (2) *If an activity involves obtaining private information about a living person in such a way that the information can be linked to that individual (the identity of the subject is or may be readily determined by the investigator or associated with the information), the definition of human subject is met.* [Private information includes information about behavior that occurs in a

context in which an individual can reasonably expect that no observation or recording is taking place, and information which has been provided for specific purposes by an individual and which the individual can reasonably expect will not be made public (for example, a school health record).]

B. Exemptions.

Research activities in which the **only** involvement of human subjects will be in one or more of the following six categories of **exemptions** are not covered by the regulations:

(1) Research conducted in established or commonly accepted educational settings, involving normal educational practices, such as (a) research on regular and special education instructional strategies, or (b) research on the effectiveness of or the comparison among instructional techniques, curricula, or classroom management methods.

(2) Research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures or observation of public behavior, unless: (a) information obtained is recorded in such a manner that human subjects can be identified, directly or through identifiers linked to the subjects; and (b) any disclosure of the human subjects' responses outside the research could reasonably place the subjects at risk of criminal or civil liability or be damaging to the subjects' financial standing, employability, or reputation. *If the subjects are children, exemption 2 applies only to research involving educational tests and observations of public behavior when the investigator(s) do not participate in the activities being observed. Exemption 2 does not apply if children are surveyed or interviewed or if the research involves observation of public behavior and the investigator(s) participate in the activities being observed.* [Children are defined as persons who have not attained the legal age for consent to treatments or procedures involved in the research, under the applicable law or jurisdiction in which the research will be conducted.]

(3) Research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures or observation of public behavior that is not exempt under section (2) above, if the human subjects are elected or appointed public officials or candidates for public office; or federal statute(s) require(s) without exception that the confidentiality of the personally identifiable information will be maintained throughout the research and thereafter.

(4) Research involving the collection or study of existing data, documents, records, pathological

specimens, or diagnostic specimens, if these sources are publicly available or if the information is recorded by the investigator in a manner that subjects cannot be identified, directly or through identifiers linked to the subjects.

(5) Research and demonstration projects which are conducted by or subject to the approval of department or agency heads, and which are designed to study, evaluate, or otherwise examine: (a) public benefit or service programs; (b) procedures for obtaining benefits or services under those programs; (c) possible changes in or alternatives to those programs or procedures; or (d) possible changes in methods or levels of payment for benefits or services under those programs.

(6) Taste and food quality evaluation and consumer acceptance studies, (a) if wholesome foods without additives are consumed or (b) if a food is consumed that contains a food ingredient at or below the level and for a use found to be safe, or agricultural chemical or environmental contaminant at or below the level found to be safe, by the Food and Drug Administration or approved by the Environmental Protection Agency or the Food Safety and Inspection Service of the U.S. Department of Agriculture.

II. Instructions for Exempt and Nonexempt Human Subjects Research Narratives

If the applicant marked "Yes" for Item 12 on the ED 424, the applicant must provide a human subjects "exempt research" or "nonexempt research" narrative and insert it immediately following the ED 424 face page.

A. Exempt Research Narrative.

If you marked "Yes" for item 12 a. and designated exemption numbers(s), provide the "exempt research" narrative. The narrative must contain sufficient information about the involvement of human subjects in the proposed research to allow a determination by ED that the designated exemption(s) are appropriate. The narrative must be succinct.

B. Nonexempt Research Narrative.

If you marked "No" for item 12 a. you must provide the "nonexempt research" narrative. The narrative must address the following seven points. Although no specific page limitation applies to this section of the application, be succinct.

(1) **Human Subjects Involvement and Characteristics:** Provide a detailed description of the proposed involvement of human subjects. Describe the characteristics of the subject population, including their anticipated number, age range, and health status.

Identify the criteria for inclusion or exclusion of any subpopulation. Explain the rationale for the involvement of special classes of subjects, such as children, children with disabilities, adults with disabilities, persons with mental disabilities, pregnant women, prisoners, institutionalized individuals, or others who are likely to be vulnerable

(2) **Sources of Materials:** Identify the sources of research material obtained from individually identifiable living human subjects in the form of specimens, records, or data. Indicate whether the material or data will be obtained specifically for research purposes or whether use will be made of existing specimens, records, or data.

(3) **Recruitment and Informed Consent:** Describe plans for the recruitment of subjects and the consent procedures to be followed. Include the circumstances under which consent will be sought and obtained, who will seek it, the nature of the information to be provided to prospective subjects, and the method of documenting consent. State if the Institutional Review Board (IRB) has authorized a modification or waiver of the elements of consent or the requirement for documentation of consent.

(4) **Potential Risks:** Describe potential risks (physical, psychological, social, legal, or other) and assess their likelihood and seriousness. Where appropriate, describe alternative treatments and procedures that might be advantageous to the subjects.

(5) **Protection Against Risk:** Describe the procedures for protecting against or minimizing potential risks, including risks to confidentiality, and assess their likely effectiveness. Where appropriate, discuss provisions for ensuring necessary medical or professional intervention in the event of adverse effects to the subjects. Also, where appropriate, describe the provisions for monitoring the data collected to ensure the safety of the subjects.

(6) **Importance of the Knowledge to be Gained:** Discuss the importance of the knowledge gained or to be gained as a result of the proposed research. Discuss why the risks to subjects are reasonable in relation to the anticipated benefits to subjects and in relation to the importance of the knowledge that may reasonably be expected to result.

(7) **Collaborating Site(s):** If research involving human subjects will take place at collaborating site(s) or other performance site(s), name the sites and briefly describe their involvement or role in the research.

Copies of the Department of Education's Regulations for the Protection of Human Subjects, 34 CFR Part 97 and other pertinent materials on the protection of human subjects in research are available from the Grants Policy and Oversight Staff, Office of the Chief Financial Officer, U.S. Department of Education, Washington, D.C. 20202-4248, telephone: (202) 708-8263, and on the U.S. Department of Education's Protection of Human Subjects in Research Web Site at <http://www.ed.gov/offices/OCFO/humansub.html>

Continuation of Form 424 -- (Page 2)

1. Total **FALL 1999 FULL-TIME EQUIVALENT (FTE)** students = _____.

a) Total market value of endowment fund for 1999-00 \$_____.

b) Total expenditures for library material during 1999-00 \$_____.

2. If the contact person is different from person named in Item 5 on page one of ED FORM 424, please identify by name and phone number in this space.

Name: _____

Phone: _____
(area code) (number) (extension)

email: _____

3. Provide project abstract with your application if you are applying for an Individual or Cooperative Arrangement Development Grant.

DUAL SUBMISSION CERTIFICATION

If an institution applies for a grant under more than one program it must indicate that fact in each application and further indicate which grant it wishes to receive if it is selected to receive a grant under more than one program.

My institution has submitted applications under: (check all that apply to your institution)

- ☐ Strengthening Institutions Program
- ☐ American Indian Tribally Controlled Colleges and Universities Program
- ☐ Native Hawaiian-Serving Institutions Program
- ☐ Alaska Native-Serving Institutions Program
- ☐ Title V Hispanic-Serving Institutions Program

If my institution should be selected to receive a grant under more than one program; I will accept the grant for _____ (insert the name of the program).

Typed name of institution

Signature of President of the Institution

Typed name of the signatory

Date

INSTRUCTIONS FOR PARTICIPATING INSTITUTIONS IN A COOPERATIVE ARRANGEMENT ED FORM 851S –1

The applicant coordinating institution should complete ED 851S-1 as instructed here:

1. Enter the name of the institution that will serve as the coordinating institution for the cooperative arrangement. Provide the legal name of the applicant institution of higher education applying for the grant. This institution should be the same as designated in the Application for Federal Education Assistance form - item 5 (ED 424).
2. Fill in the requested information in items 2a - 2d by institution, left to right.
 - 2a. List the name of each institution in alphabetical State order. Include the coordinating institution that will participate in the cooperative arrangement.
 - 2b. Enter each participating institution's assigned DUNS Number.
 - 2c. Enter the City and State in which each participating institution is located.
 - 2d. Enter the amount that represents each participating institution's portion of the entire federal grant funds requested. This amount may be the same for each institution if they are to share equally or this amount may differ for each participating institution. The amount depends on the identified needs and involvement of the individual institutions in implementing the activity or activities to be undertaken. We award funds only to an institution that has been designated eligible to apply for a grant.

GRANT APPLICATION FOR THE HISPANIC-SERVING INSTITUTIONS PROGRAM Title V, Higher Education Act, as amended			FORM APPROVED OMB No.: 1840-0745 EXP. DATE: 3/31/2003
PARTICIPATING INSTITUTIONS IN A COOPERATIVE ARRANGEMENT			
1. NAME OF APPLICANT INSTITUTION:			
2a. Participating Institutions	2b. DUNS Number	2c. Location (City and state)	2D. Funds Requested

ED FORM 851S-1

INSTRUCTIONS FOR ACTIVITY OBJECTIVES AND PERFORMANCE INDICATORS FORM ED FORM 851S-2

Each applicant for a development grant, including the coordinating institution in a cooperative arrangement, must complete the Activity Objectives and Performance Indicators Form (ED 851S-2).

Complete this form for each activity – one for each year that grant funds were requested. For each year of the activity, list only the outcome objectives that an activity is designed to accomplish. Choose a realistic number of objectives. You may reproduce the form or create it on your computer. Objectives and indicators may be written in a variety of ways, reviewers of the application will judge the extent to which the activity objectives, taken together with their performance indicators, are defined in terms of measurable results. They will also judge the extent to which the proposed end-results are NOT EXAGGERATED.

For example, if XYZ University is requesting funds for two activities - Student Services and Faculty Development – and both activities will be conducted in years 1-5 of the grant then XYZ University would submit:

- (1) for the Student Services Activity - 5 separate forms - one for each year of the grant; and,
- (2) for the Faculty Development Activity - 5 separate forms - one for each year of the grant.

Complete ED 851S-2, as follows:

1. Enter the name of the institution submitting the application. If the applicant is a cooperative arrangement of institutions, enter the name of the coordinating institution. This should be the same institution as listed on the Application for Federal Education Assistance form - Item 5 (ED 424).
2. Enter the title of the activity as it appears in the narrative.
3. Describe the objective(s) to be achieved for each activity in each year of the project period. List the activity objectives in chronological order for each year of the proposed project period.
4. Describe the performance indicator(s) that you will use to measure the extent to which the objective has been met. Performance indicators should reflect the impact that meeting the objective will have on the institution's problems or weaknesses that the activity is designed to address. Note that PROCESS objectives should not appear on this Activity Objectives and Performance Indicators Performance Form, but rather, should be placed on the Implementation Strategy and Timetable Form.

GRANT APPLICATION FOR THE HISPANIC-SERVING INSTITUTIONS PROGRAM Title V, Higher Education Act, as amended		FORM APPROVED OMB No.: 1840-0745 EXP. DATE: 3/31/03
Activity Objectives and Performance Indicators		
NAME OF APPLICANT INSTITUTION:	ACTIVITY TITLE:	
MAJOR OBJECTIVES IN MEASURABLE TERMS	PERFORMANCE INDICATORS	

ED FORM 851S-2

INSTRUCTIONS AND IMPLEMENTATION STRATEGY AND TIMETABLE FORM

ED FORM 851S-3

Applicants for the development grant must submit an Implementation Strategy and Timetable Form (ED 851S-3) for each proposed activity -- for each year in which funds are requested to support the activity.

Submit a separate ED 851S-3 for each activity. You may reproduce the form or generate the form on your computer. A sample of a completed form is included.

Complete ED 851S-3 as follows:

1. Enter the name of the institution submitting the application. If the applicant is a Cooperative Arrangement of institutions, enter the name of the coordinating institution. This should be the same institution as listed on the Application for Federal Education Assistance form - item 5 (ED 424).
2. Enter the title of the activity as it appears in the narrative.
3. Identify the tasks, in chronological order, that you must complete in carrying out the implementation strategy.
4. Identify the principal staff - by position title - that will actively perform the day-to-day major tasks of the activity. Do not list persons who will have only a supervisory or administrative responsibility.
5. List, in chronological order, the specific methods by which the institution will accomplish the tasks.
6. Identify tangible results that you will be able to document.
7. Indicate the proposed time frame for accomplishing each specific task. The time frame should show the completion of the task within one budget period. The budget period is a Federal fiscal year, October 1-September 30.

GRANT APPLICATION FOR THE HISPANIC-SERVING INSTITUTIONS PROGRAM TITLE V, HIGHER EDUCATION ACT, AS AMENDED				FORM APPROVED: OMB No.: 1840-0745 Exp. Date: 3/31/2003	
IMPLEMENTATION STRATEGY AND TIMETABLE FORM					
1. NAME OF APPLICANT:			2. ACTIVITY TITLE:		
3. SPECIFIC TASKS TO BE COMPLETED	4. PRIMARY PARTICIPANTS	5. METHODS INVOLVED	6. TANGIBLE RESULTS	7. TIMEFRAME FROM/TO	
YEAR ONE: 1999-2000 1. Establish Activity Task Force. 2. Conduct Advisement Activities.	Activity Director Vice President	Identify faculty, staff and administrators in key areas identified in grant. Convene team monthly during Year One and quarterly for the remaining four years.	Task Force provides necessary monitoring and advising functions including evaluation/continuation plans for all pilot projects.	10/99	09/00
2. Recruit and employ new activity staff.	Activity Director Activity Task Force	Standard recruiting and hiring practices.	Hiring of additional computer services staff, instructional technician, and educational technology specialist.	10/99	03/00
3. Establish pilot systems for Student assessment and advisement.	Computer Services Matriculation Director	Order appropriate computer assessment and advisement software.	Pilot test of assessment software initiated.	01/00	09/00
4. Conduct pilot assessment and advisement with evening students.	Assessment Technician	Student self assesses at computer station.	Valid assessment with immediate feedback for student.	07/00	09/00

ED FORM 851S-3

INSTRUCTIONS AND ACTIVITY BUDGET FORM ED FORM 851S-4

An applicant for a development grant must submit a separate Activity Budget Form (ED 851S-4) for each activity and for project management/evaluation. A sample of a completed form is located on page 76.

NOTE: Use the Other Budget Information Form (ED 851S-5) to provide itemized details on the specific categories of costs.

Complete ED 851S-4 as instructed here:

1. **Activity Number:** Enter an activity number for each activity in the application. Begin with the activity that you ranked as priority one.
2. **Page Number:** Place the form immediately following the narrative description of each specific activity in your application, numbering the form with the appropriate page number.
3. **Number of Pages:** If you use more than one page to provide the required information, number the pages in consecutive order, and indicate the total number of pages used to list the costs of the activity.

Item 1. Enter the name of the institution submitting the application.

If the request is for a Cooperative Arrangement of institutions, enter the name of the coordinating institution. This should be the same institution as listed on the Application for Federal Education Assistance Form - item 5 (ED 424).

Item 2. Enter the title of the activity as it appears in the narrative.

Item 3. Budget Categories by year.

Enter the amount of funds for each year (1st year-5th year) by object class category (3a-3g). Enter the amount of funds you are requesting for each category of cost in the "Total Funds Requested" column.

3a. Personnel

Enter the title of each position for which funds are requested and the percentage of time that staff person will commit to the activity in the specific year. Do not include consultants or other personnel who are not entitled to fringe benefits. Include those costs under the "Other" category.

3b. Fringe Benefits

Enter the percent rate at which the applicant institution calculates fringe benefits.

Enter the total amount requested for Fringe Benefits for each year.

3c. Travel

You may use grant funds only for travel that is necessary and related to achieving the objectives of a specific activity during a specific budget period.

Enter the total funds requested for travel in each year. Include transportation and per diem. Do not include freight costs or consultants' travel expenses. Include those costs under the "Other" category.

3d. Equipment

Enter the purchasing cost for all tangible personal property - fixed and movable - for each year. Include property having a useful life of more than one year and having an acquisition cost of \$5,000 or more per unit.

Do not include the cost for renting equipment. Include those costs under the "Other" category.

3e. Supplies

Enter the cost of all tangible personal property having a useful life of less than one year and having an acquisition cost of less than \$5,000 per unit.

3f. Contractual

Include the estimated cost of contractual agreements with another institution of higher education or an organization or business. We will consider sole source contracts up to \$5,000 per total project only if competition is not feasible.

Do not include costs for consultants. Include those, instead, under the "Other" category. Complete all contractual agreements only after receipt of a notification of grant award.

3g. Construction

Enter the estimated costs for construction.

3h. Other

Include all direct costs not covered by 3a-3g, such as communications, freight costs (not included by vendor purchase price), equipment rental, computer use charges, summer employment stipends, consultant costs, etc.

3i. Total Direct Charges

Enter the sum of all costs (3a-3h) for each year in the appropriate column. The total for the first year should be the same as the amount listed on the Application for Federal Assistance Form (ED 424) item 15a.

Enter the sum, for all categories for all years, under the "Total Funds Requested" column.

GRANT APPLICATION FOR THE HISPANIC-SERVING INSTITUTIONS PROGRAM TITLE V, HIGHER EDUCATION ACT, AS AMENDED						ACTIVITY NUMBER		PAGE NUMBER		NUMBER OF PAGES		FORM APPROVED OMB NO. 1840-0745 EXP. DATE: 3/31/2003	
ACTIVITY BUDGET (To be completed for every major activity for which funding is requested)													
1. Name of Applicant Institution:						2. Activity Title:							
3. Budget Categories By Year		First Year		Second Year		Third Year		Fourth Year		Fifth Year		Total Funds Requested	
Object Class		% of Time	Funds Requested	% of Time	Funds Requested	% of Time	Funds Requested	% of Time	Funds Requested	% of Time	Funds Requested		
a. Personnel (Position Title)			\$		\$		\$		\$		\$		
SUB-TOTAL													
b. Fringe Benefits _____ %													
c. Travel													
d. Equipment													
e. Supplies													
f. Contractual													
g. Construction													
h. Other													
i. TOTAL DIRECT CHARGES			\$		\$		\$		\$		\$	\$	

ED FORM 851S-4

GRANT APPLICATION FOR THE HISPANIC-SERVING INSTITUTIONS PROGRAM TITLE V, HIGHER EDUCATION ACT, AS AMENDED						ACTIVITY NUMBER		PAGE NUMBER		NUMBER OF PAGES		FORM APPROVED OMB NO. 1840-0745 EXP. DATE: 3/31/03	
ACTIVITY BUDGET (To be completed for every major activity for which funding is requested)													
1. Name of Applicant Institution: SAMPLE COLLEGE						2. Activity Title:							
3. Budget Categories By Year		First Year		Second Year		Third Year		Fourth Year		Fifth Year		Total	
Object Class		% of Time	Funds Requested	% of Time	Funds Requested	% of Time	Funds Requested	% of Time	Funds Requested	% of Time	Funds Requested		
a. Personnel (Position Title)		50	\$ 23,042	50	\$ 23,042	50	\$ 24,302	50	\$ 24,302	50	\$ 24,302	\$ 118,990	
ACTIVITY DIRECTOR													
EDUCATION TECHNOLOGY COORDINATOR		30	\$ 12,500	30	\$ 12,500	30	\$ 12,500	30	\$ 12,500	30	\$ 12,500	\$ 62,500	
CLERICAL SUPPORT		50	\$ 8,514	50	\$ 8,837	50	\$ 9,159	50	\$ 9,482	50	\$ 9,804	\$ 45,796	
SUB-TOTAL			\$ 44,056		\$ 44,379		\$ 45,961		\$ 46,284		\$ 46,606	\$ 227,286	
b. Fringe Benefits 28 %			\$ 11,288		\$ 11,344		\$ 11,620		\$ 11,677		\$ 11,733	\$ 57,662	
c. Travel			\$ 7,000		\$ 7,000		\$ 7,000		\$ 6,000		\$ 8,000	\$ 35,000	
d. Equipment			\$ 0		\$ 0		\$ 0		\$ 0		\$ 0	\$ 0	
e. Supplies			\$ 23,247		\$ 36,768		\$ 34,910		\$ 44,730		\$ 51,552	\$ 191,207	
f. Contractual			\$ 0		\$ 0		\$ 0		\$ 0		\$ 0	\$ 0	
g. construction			\$ 0		\$ 0		\$ 0		\$ 0		\$ 0	\$ 0	
h. other			\$ 0		\$ 0		\$ 0		\$ 0		\$ 0	\$ 0	
i. TOTAL DIRECT CHARGES			\$ 85,591		\$ 99,491		\$ 99,491		\$ 108,691		\$ 117,891	\$ 511,155	

ED FORM 851S-4

INSTRUCTIONS OTHER BUDGET INFORMATION FORM FOR ACTIVITY BUDGETS ED FORM 851S-5

Submit an Other Budget Information Form (ED 851S-5) for each activity and for Project Management/Evaluation for each of the years for which the institution is requesting funds. Place the ED 851S-5 after the Activity Budget Form (ED 851S-4) in the submitted application. Also submit an Other Budget Information Form ED 851S-5 with the Summary Budget Form (ED 524) to explain those costs that are common to all activities. If you fail to provide sufficient details, we may disallow costs.

The institution may reproduce ED 851S-5 or generate it on the computer. Include the name of the institution on each page, and number each page consecutively.

Use ED 851S-5 to detail and explain the costs you are requesting on ED 851S-4.

1. Enter the name of the institution submitting the application.

If the request is for a cooperative arrangement of institutions, enter the name of the coordinating institution. This should be the same institution as listed on the Application for Federal Assistance Form - item 5 (ED 424).

2. Enter the title of the activity as it appears in the narrative.

3. In the remarks section, you should itemize costs requested for the activity. Explain how you arrived at the total amount requested in each object class in each year of the activity.

A. PERSONNEL COSTS as requested on ED 851S-4

Enter each individual's name or the position titles for which funds are requested. Indicate the percentage of time that each staff person will commit to the project for each year for which funds are requested.

Explain the basis for calculating release time and hourly rates - as related to current established institutional policies.

B. FRINGE BENEFITS as requested on ED 851S-4

List the specific benefits you provide to your employees and the percentage rate by which you calculate fringe benefits. If you calculate fringe benefits by a different method for different categories of Activity personnel (e.g., support staff vs. part-time personnel, faculty vs. administrative staff), provide a detailed explanation.

C. TRAVEL as requested on ED 851S-4

Indicate the names or titles of the personnel who will travel and justify the need for the travel -- in terms of completion of the specific tasks during the budget period.

Provide an itemized breakdown of:

- * transportation costs - including destinations;
- * per diem rates;
- * number of travel days; and,
- * other costs associated with travel that are acceptable based on institutional policy.

D. EQUIPMENT as requested on ED 851S-4.

Detail the cost for all nonexpendable personal property, both fixed and movable, that is necessary for achieving the activity objectives. Nonexpendable personal property is tangible personal property having a useful life of more than one year, and having an acquisition cost of \$5,000 or more per unit.

Itemize and justify on this form the purchase of each equipment item costing at least \$5,000. Include detailed information, including -- quantities, brand or trade names, and unit costs, and explain how and who will use the equipment.

E. SUPPLIES as requested on ED 851S-4

List all tangible personal property other than that covered under the "Equipment" category above. Personal property is property other than real property (land and buildings).

Provide itemized costs, and an itemized breakdown of all supplies, including quantities, brand or trade names, if known, and unit costs.

F. CONTRACTUAL as requested on ED 851S-4

Include the estimated costs of any contractual agreement with another institution of higher education, an organization or business.

We will consider sole source contracts up to \$5,000 per total project only if competition is not feasible. Explain the feasibility of competition vs. sole source.

G. CONSTRUCTION as requested on ED 851S-4.

Itemize all construction costs including labor and materials.

H. OTHER as requested on ED 851S-4

Itemize all costs not covered in items "A through G" above.

I. TOTAL DIRECT CHARGES

GRANT APPLICATION FOR THE HISPANIC-SERVING INSTITUTIONS PROGRAM Title V, Higher Education Act, as amended		Form Approved: OMB No. 1840-0745 Exp. Date: 3/31/2003
OTHER BUDGET INFORMATION		
1. NAME OF APPLICANT INSTITUTION:	2. ACTIVITY TITLE:	
3. REMARKS		

ED FORM 851S-5

GENERAL INSTRUCTIONS AND SUMMARY BUDGET FORM ED 524

Three information sources are provided to assist you in completing ED Form 524:

- (1) Instructions for ED Form 524 – This is a standard form.
- (2) Supplementary Instructions Summary Budget Form – These instructions are specific to the HSI program.
- (3) ED Form 524 – This form consists of two pages.

Paperwork Burden Statement for Customer Satisfaction Survey on New OPE Programs

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1840-0745. The time required to complete this information collection is estimated to average 17.5 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington D.C. 20202-4651. If you have comments or concerns regarding the status of your individual submission of this form, write directly to: Jay Noell, Director, Quality Improvement and Strategic Planning Staff U.S. Department of Education, 400 Maryland Avenue, S.W., ROB 3 - Room 4020, Washington, D.C. 20202-4651

General Instructions

This form is used to apply to individual U.S. Department of Education discretionary grant programs. Unless directed otherwise, provide the same budget information for each year of the multi-year funding request. Pay attention to applicable program specific, instructions, if attached.

Section A - Budget Summary

U.S. Department of Education Funds

All applicants must complete Section A and provide a breakdown by the applicable budget categories shown in lines 1-11.

Lines 1-11, columns (a)-(e): For each project year for which funding is requested, show the total amount requested for each applicable budget category.

Lines 1-11, column (f): Show the multi-year total for each budget category. If funding is requested for only one project year, leave this column blank.

Line 12, columns (a)-(e): Show the total budget request for each project year for which funding is requested.

Line 12, column (f): Show the total amount requested for all project years. If funding is requested for only one year, leave this space blank.

Section B - Budget Summary

Non-Federal Funds

If you are required to provide or volunteer to provide matching funds or other non-Federal resources to the project, these should be shown for each applicable budget category on lines 1-11 of Section B.

Lines 1-11, columns (a)-(e): For each project year for which matching funds or other contributions are provided, show the total contribution for each applicable budget category.

Lines 1-11, column (f): Show the multi-year total for each budget category. If non-Federal contributions are provided for only one year, leave this column blank.

Line 12, columns (a)-(e): Show the total matching or other contribution for each project year.

Line 12, column (f): Show the total amount to be contributed for all years of the multi-year project. If non-Federal contributions are provided for only one year, leave this space blank.

Section C - Other Budget Information

Pay attention to applicable program specific instructions, if attached.

1. Provide an itemized budget breakdown, by project year, for each budget category listed in Sections A and B.
2. If applicable to this program, enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period. In addition, enter the estimated amount of the base to which the rate is applied, and the total indirect expense.

Notice to Title V grant applicants: Indirect costs are NOT allowed under Title V.

3. If applicable to this program, provide the rate and base on which fringe benefits are calculated.
1. Provide other explanations or comments you deem necessary.

SUPPLEMENTARY INSTRUCTIONS SUMMARY BUDGET FORM (ED 524)

Complete the Summary Budget Form (ED 524) after you have prepared all Activity Budget Forms (ED 851S-4). If the institution is requesting to use grant monies for the establishment or development of its endowment fund, provide this information as part of line 8.

Provide the total costs you are requesting for each budget category for all activities for project years 1-5, and the sum totals for all five years.

Examples:

If the institution is requesting personnel costs for all activities in project year 1, totaling \$50,000, the institution should enter "\$50,000" in Budget Category 1 - Personnel, Project Year 1 (column (a)).

If the institution is requesting \$50,000 in personnel costs in all project years (1-5), totaling \$250,000, the institution should enter:

"\$50,000" in Budget Category 1. Personnel, Project Year 1 - Project Year 5 (columns (a) - (e)); and

"\$250,000" in Budget Category 1 - Personnel, Total (column (f))

U.S. DEPARTMENT OF EDUCATION					OMB Control No. 1880—0538 Expiration Date: 02/28/2003	
BUDGET INFORMATION NON-CONSTRUCTION PROGRAMS						
Name of Institution/Organization:			Applicants requesting funding for only one year should complete the column under "Project Year 1." Applicants requesting funding for multi-year grants should complete all applicable columns. Please read all instructions before completing form.			
SECTION A - BUDGET SUMMARY U.S. DEPARTMENT OF EDUCATION FUNDS						
Budget Categories	Project Year 1 (a)	Project Year 2 (b)	Project Year 3 (c)	Project Year 4 (d)	Project Year 5 (e)	Total (f)
1. Personnel						
2. Fringe Benefits						
3. Travel						
4. Equipment						
5. Supplies						
6. Contractual						
7. Construction						
8. Other						
9. Total Direct Costs (lines 1-8)						
10. Indirect Costs						
11. Training Stipends						
12. Total Costs (lines 9-11)						

ED FORM 524

U.S. DEPARTMENT OF EDUCATION					OMB Control No. 1880—0538 Expiration Date: 02/28/2003	
BUDGET INFORMATION NON-CONSTRUCTION PROGRAMS						
Name of Institution/Organization:			Applicants requesting funding for only one year should complete the column under "Project Year 1." Applicants requesting funding for multi-year grants should complete all applicable columns. Please read all instructions before completing form.			
SECTION B - BUDGET SUMMARY						
NON-FEDERAL FUNDS						
Budget Categories	Project Year 1 (a)	Project Year 2 (b)	Project Year 3 (c)	Project Year 4 (d)	Project Year 5 (e)	Total (f)
1. Personnel						
2. Fringe Benefits						
3. Travel						
4. Equipment						
5. Supplies						
6. Contractual						
7. Construction						
8. Other						
9. Total Direct Costs (lines 1-8)						
10. Indirect Costs						
11. Training Stipends						
12. Total Costs (lines 9-11)						
SECTION C – OTHER BUDGET INFORMATION (See instructions)						

ED FORM 524

INSTRUCTIONS FOR OTHER BUDGET INFORMATION FORM FOR SUMMARY BUDGETS ED FORM 851S-6

Place the completed Other Budget Information Form (ED 851S-5) for the Summary Budget behind the Summary Budget Form (ED 524).

Use the Other Budget Information Form (ED 851S-5) to explain those costs that are common to all activities. Include the following:

- The basis for the estimated annual increments of salaries calculated for personnel in subsequent years under the grant;
- The basis for the percentage of fringe benefits claimed, including the elements involved in the fringe benefits calculation and the difference, if any, between fringe benefits for administrators, faculty, temporary employees, students, etc.;
- Institutional policies regarding travel costs, within and out-of-state, including the basis for calculating the per diem rates;
- Institutional policies governing procurement procedures for the purchase of equipment and supplies, including policies on competitive bidding; and
- Institutional policies and procedures governing the selection and payment of consultants.
- Provide details for the use of grant monies for the establishment or development of the institution's endowment fund, if applicable.

GRANT APPLICATION FOR THE HISPANIC-SERVING INSTITUTIONS PROGRAM Title V, Higher Education Act, as amended		Form Approved: OMB No. 1840-0745 Exp. Date: 3/31/03
OTHER BUDGET INFORMATION FOR SUMMARY BUDGET		
1. NAME OF APPLICANT INSTITUTION:	2. ACTIVITY TITLE:	
3. REMARKS		

ED Form 851S-6

Hispanic-Serving Institutions Assurance

Directions:

The statute governing the Hispanic-Serving Institutions Program, (Title V, of the Higher Education Act of 1965, as amended) requires the applicant to provide an assurance to the following:

The applicant has, at the time of application, an enrollment of undergraduate full-time equivalent (FTE) students that is at least twenty- five percent (25%) Hispanic students; and, that not less than 50 percent of its Hispanic students are low-income individuals. Low-income is defined in Section 502(a)(7) of the program statute (see definition below).

To calculate your undergraduate FTE enrollment, determine your institution's most recent FTE enrollment of undergraduate students, including both full-time students and part-time students. In determining the undergraduate FTE enrollment, **do not** include students who were enrolled in an educational program of less than two years in length and which does not result in the award of a certificate, an associate degree or other recognized educational credential offered by the institution.

Whatever the full-time load is at your institution, count a full-time undergraduate degree student as one FTE.

To determine the FTE for part-time undergraduate students, total the number of credit hours of all part-time undergraduate students. Include both part-time degree students and part-time unclassified students. An unclassified undergraduate student is one who is not a candidate for a degree or other formal award, but is taking courses for credit in regular classes with undergraduate degree students. However, both classified and unclassified undergraduate students must be enrolled in a program of at least two years in length that would result in the award of either a certificate, associate degree or other educational credential. Divide the total number of credit hours for the part-time undergraduate students by twelve. The result is the FTE for part-time undergraduate students.

To calculate the Total Undergraduate FTE Enrollment Count: Add the most recent FTE of full-time undergraduate degree students and the most recent FTE of part-time undergraduate students.

To calculate the Hispanic Undergraduate FTE Enrollment Count: Add the most recent Hispanic FTE of full-time undergraduate degree students and the most recent FTE of part-time undergraduate students.

To calculate the Undergraduate FTE Hispanic Percent: Divide the Hispanic Undergraduate FTE Enrollment Count by the Total Undergraduate FTE Enrollment Count and multiply by 100. To be eligible to apply, the resulting percent must be 25% or larger.

To calculate the Hispanic Undergraduate Enrollment Count: Add the total number of full-time Hispanic undergraduate students and the total number of part-time Hispanic undergraduate students.

To calculate the Hispanic Low-Income Student Count: Use the table below to calculate your Hispanic low-income student count. "Low-income" is defined as 150 percent of the poverty level as established by the United States Bureau of the Census. The figures shown as low-income levels represent amounts equal to 150% of the family income levels established by the US Bureau of the Census in 2002 for determining poverty status.

Low-Income Thresholds in 2001, by Size of Family and Number of Related Children Under 18 Years

Size of Family Unit	Related children under 18 years								
	None	One	Two	Three	Four	Five	Six	Seven	Eight or more
One person (unrelated individual).....									
Under 65 years.....	13,821								
65 years and over.....	12,741								
Two persons.....									
Householder under 65 years.....	17,789	18,311							
Householder 65 years and over.....	16,058	18,242							
Three persons.....	20,780	21,383	21,404						
Four persons.....	27,401	27,849	26,940	27,033					
Five persons.....	33,044	33,524	32,498	31,703	31,218				
Six persons.....	38,006	38,157	37,371	36,617	35,496	34,832			
Seven persons.....	43,731	44,004	43,062	42,407	41,184	39,758	38,193		
Eight persons.....	48,909	49,341	48,453	47,675	46,571	45,168	43,710	43,340	
Nine persons or more.....	58,835	59,120	58,334	57,674	56,589	55,098	53,750	53,415	51,357

Source: U.S. Bureau of the Census, September 24, 2002

To calculate the Undergraduate Low-Income Hispanic Percent: Divide the Undergraduate Hispanic Low-Income Student Count by the Hispanic Undergraduate Enrollment Count and multiply by 100. To be eligible to apply, the resulting percent must be 50% or larger.

An institution must show that its undergraduate FTE Hispanic percent is at least 25% **and** its undergraduate low-income Hispanic percent is at least 50% to be eligible to apply for a Title V grant.

Hispanic-Serving Institutions Assurance
Signature Page

Institutional Statistics

Name of Institution:

Total Undergraduate FTE Enrollment Count:	
Hispanic Undergraduate FTE Enrollment Count:	
Hispanic Undergraduate Enrollment Count:	
Hispanic Low-Income Student Count:	
Undergraduate FTE Hispanic Percent:	
Undergraduate Low-Income Hispanic Percent:	

Signature:

Signature of President of the InstitutionDate

Typed Name and Title of Signatory

ED FORM 851S-7

CERTIFICATION REGARDING COLLABORATIVE ARRANGEMENT

This certification is required by the legislation implementing Section 511(d) of Title V of the Higher Education Act of 1965, as amended. The Secretary requests this information to use in establishing priorities for funding. The certification shall be treated as a material representation of fact upon which the Department of Education will rely in making a determination to award a grant.

PRIORITY. – The Secretary shall give priority to an application that contains satisfactory evidence that the Hispanic-serving institution has entered into or will enter into a collaborative arrangement with at least one local education agency or community-based organization to provide such agency or organization with assistance (from funds other than funds provided under this title) in reducing dropout rates, improving rates of academic achievement for students, and increasing the rates at which Hispanic secondary school graduates enroll in higher education.

1. Describe the terms of the agreement:

2. Describe the role of the applicant institution:

3. Define the objectives of this agreement.

PRINTED NAME AND TITLE OF AUTHORIZED IHE REPRESENTATIVE

SIGNATURE

DATE

As duly authorized representative of the LEA, I certify that the LEA has entered into a collaborative arrangement with the applicant institution.

PRINTED NAME AND TITLE OF AUTHORIZED LEA OR COMMUNITY BASED ORGANIZATION REPRESENTATIVE

SIGNATURE

DATE

ED FORM 851S-8

Executive Order 12372

Intergovernmental Review of Federal Programs

This information applies to each program that is subject to the requirements of Executive Order 12372 (Intergovernmental Review of Federal Programs) and the regulations in 34 CFR part 79.

The objective of the Executive order is to foster an intergovernmental partnership and to strengthen federalism by relying on State and local processes for State and local government coordination and review of proposed Federal financial assistance.

Applicants must contact the appropriate State Single Point of Contact to find out about, and to comply with, the State's process under Executive Order 12372. Applicants proposing to perform activities in more than one State should immediately contact the Single Point of Contact for each of those States and follow the procedure established in each of those States under the Executive order. A listing containing the Single Point of Contact for each State is included in this appendix.

In States that have not established a process or chosen a program for review, State, areawide, regional, and local entities may submit comments directly to the Department.

Any State Process Recommendation and other comments submitted by a State Single Point of Contact and any comments from State, areawide, regional, and local entities must be mailed or hand-delivered by the date indicated in the actual application notice to the following address:

The Secretary, EO 12372--CFDA# [commenter must insert number--including suffix letter, if any],
U.S. Department of Education, room 6213,
600 Independence Avenue, SW.,
Washington, DC 20202-0124.

STATE SINGLE POINTS OF CONTACT (SPOCs)

This publication by the U.S. Department of Education is an unofficial version of the State Single Point of Contact (SPOC) List published by the Office of Management and Budget (OMB). This publication incorporates the most recent revisions made by OMB. The Department has made every effort to ensure the accuracy of the information contained in this unofficial version. However, the only official version of the State Single Point of Contact (SPOC) List is posted on the Grants Management section of the OMB web site <http://www.whitehouse.gov/omb/grants/spoc.html>. You may save a text version of this document at the aforementioned site. Please note it will be necessary to put a row of space between each state listing.

It is estimated that in 2001, the Federal Government will outlay \$305.6 billion in grants to State and local governments. Executive Order 12372, "Intergovernmental Review of Federal Programs," was issued with the desire to foster the intergovernmental review of proposed Federal financial assistance and direct Federal development. The Order allows each State to designate an entity to perform this function. Below is the official list of those entities. For those States that have a home page for their designated entity, a direct link has been provided on the official version <http://www.whitehouse.gov/omb/grants/spoc.html>. **States that are not listed on this page have chosen not to participate in the intergovernmental review process, and therefore do not have a SPOC. If you are located within one of these States, you may still send application material directly to a Federal awarding agency.**

ARKANSAS Tracy L. Copeland Manager, State Clearinghouse Office of Intergovernmental Services Department of Finance and Administration 1515 7 th Street, Room 412 Little Rock, Arkansas 72203 Telephone: (501) 682-1074 FAX: (501) 682-5206 Ticopeland@dfa.state.ar.us	CALIFORNIA Grants Coordination State Clearinghouse Office of Planning and Research P.O. Box 3044, Room 222 Sacramento, California 95812-3044 Telephone: (916) 445-0613 FAX: (916) 323-3018 State.clearinghouse@opr.ca.gov
DELAWARE Charles H. Hopkins Executive Department Office of the Budget 540 S. Dupont Highway , 3 rd Floor Dover, Delaware 19901 Telephone: (302) 739-3323 FAX: (302) 739-5661 Chopkins@state.de.us	DISTRICT OF COLUMBIA Ron Seldon Office of Grants Management and Development 717 14 th Street, NW, Suite 1200 Washington, DC 20005 Telephone: (202) 727-1705 FAX: (202) 727-1617 Ogmd-ogmd@dcgov.org
FLORIDA Cherie L. Trainor Florida State Clearinghouse Department of Community Affairs 2555 Shumard Oak Blvd. Tallahassee, Florida 32399-2100 Telephone: (850) 922-5438 Telephone: (850) 414-5495 (direct) FAX: (850) 414-0479 Cherie.trainor@dca.state.fl.us	GEORGIA Georgia State Clearinghouse 270 Washington Street, SW Atlanta, Georgia 30334 Telephone: (404) 656-3855 FAX: (404) 656-7901 Gach@mail.opb.state.ga.us
ILLINOIS Virginia Bova Department of Commerce and Community Affairs James R. Thompson Center 100 West Randolph, Suite 3-400 Chicago, Illinois 60601 Telephone: (312) 814-6028 FAX: (312) 814-8485 vbova@commerce.state.il.us	IOWA Steven R. McCann Division of Community and Rural Development Iowa Department of Economic Development 200 East Grand Avenue Des Moines, Iowa 50309 Telephone: (515) 242-4719 FAX: (515) 242-4809 Steve.mccann@ided.state.ia.us
KENTUCKY Ron Cook Department for Local Government Kentucky State Clearinghouse 1024 Capital Center Drive, Suite 340 Frankfort, Kentucky 40601	MAINE Joyce Benson State Planning Office 184 State Street 38 State House Station Augusta, Maine 04333

<p>Telephone: (502) 573-2382 FAX: (502) 573-0175 Ron.cook@mail.state.ky.us</p>	<p>Telephone: (207) 287-3261 Telephone: (207) 1461 (direct) FAX: (207) 287-6489 Joyce.benson@state.me.us</p>
<p>MARYLAND Linda Janey Manager, Clearinghouse and Plan Review Unit Maryland Office of Planning 301 W. Preston Street – Room 1104 Baltimore, Maryland 21201-2305 Telephone: (410) 767-4490 FAX: (410) 767-4480 linda@mail.op.state.md.us</p>	<p>MICHIGAN Mr. Richard Pfaff Southeast Michigan Council of Governments 660 Plaza Drive – Suite 1900 Detroit, Michigan 48226 Telephone: (313) 961-4266 FAX: (313) 961-4869 pfaff@semcog.org</p>
<p>MISSISSIPPI Cathy Mallette Clearinghouse Officer Department of Finance and Administration 550 High Street 303 Walters Sillers Building Jackson, Mississippi 39201-3087 Telephone: (601) 359-6762 FAX: (601) 359-6758</p>	<p>MISSOURI Lois Pohl Federal Assistance Clearinghouse Office of Administration P.O. Box 809 Jefferson Building, Room 915 Jefferson City, Missouri 65102 Telephone: (573) 751-4834 FAX: (573) 522-4395 pohl@mail.oa.state.mo.us</p>
<p>NEVADA Heather Elliott Department of Administration State Clearinghouse 209 East Musser Street, Room 200 Carson City, Nevada 89701-4298 Telephone: (775) 684-0209 FAX: (775) 684-0260 Helliott@govmail.state.nv.us</p>	<p>NEW HAMPSHIRE Jeffrey H. Taylor Director, New Hampshire Office of State Planning Attn: Intergovernmental Review Process Mike Blake 2½ Beacon Street Concord, New Hampshire 03301 Telephone: (603) 271-2155 FAX: (603) 271-1728 Jtaylor@osp.state.nh.us</p>
<p>MEXICO NEW Ken Hughes Local Government Division Room 201, Bataan Memorial Building Santa Fe, New Mexico 87503 Telephone: (505) 827-4370 FAX: (505) 827-4948 Khughes@dfa.state.nm.us</p>	<p>NORTH CAROLINA Jeanette Furney Department of Administration 1302 Mail Service Center Raleigh, North Carolina 27699-1302 Telephone: (919) 807-2323 FAX: (919) 733-9571 Jeanette.furney@ncmail.net</p>
<p>NORTH DAKOTA Jim Boyd Division of Community Services 600 East Boulevard Ave, Dept 105 Bismark, North Dakota 58505-0170 Telephone: (701) 328-2094 FAX: (701) 328-2308 Jboyd@state.nd.us</p>	<p>RHODE ISLAND Kevin Nelson Department of Administration Statewide Planning Program One Capitol Hill Providence Rhode Island 02908-5870 Telephone: (401) 222-2093 FAX: (401) 222-2083 knelson@doa.state.ri.us</p>

SOUTH CAROLINA Omeagia Burgess Budget and Control Board Office of State Budget 1122 Ladies Street – 12 th Floor Columbia, South Carolina 29201 Telephone: (803) 734-0494 FAX: (803) 734-0645 Aburgess@budget.state.sc.us	TEXAS Denise S. Francis Director, State Grants Team Governor's Office of Budget and Planning P.O. Box 12428 Austin, Texas 78711 Telephone: (512) 305-9415 FAX: (512) 936-2681 dfrancis@governor.state.tx.us
UTAH Carolyn Wright Utah State Clearinghouse Governor's Office of Planning and Budget State Capitol, Room 114 Salt Lake City, Utah 84114 Telephone: (801) 538-1535 FAX: (801) 538-1547 cwright@gov.state.ut.us	WEST VIRGINIA Fred Cutlip, Director Community Development Division West Virginia Development Office Building #6, Room 553 Charleston, West Virginia 25305 Telephone: (304) 558-4010 FAX: (304) 558-3248 fcutlip@wvdo.org
WISCONSIN Jeff Smith Section Chief, Federal/State Relations Wisconsin Department of Administration 101 East Wilson Street – 6 th Floor P.O. Box 7868 Madison, Wisconsin 53707 Telephone: (608) 266-0267 FAX: (608) 267-6931 jeffrey.smith@doa.state.wi.us	GUAM Director Bureau of Budget and Management Research Office of the Governor P.O. Box 2950 Agana, Guam 96932 Telephone: 011-671-472-2285 FAX: 011-671-472-2825 jer@ns.gov.gu
PUERTO RICO Jose Caballero / Mayra Silva Puerto Rico Planning Board Federal Proposals Review Office Minillas Government Center P.O. Box 41119 San Juan, Puerto Rico 00940 Telephone: (787) 723-6190 FAX: (787) 722-6783	NORTHERN MARIANA ISLANDS Ms. Jacoba T. Seman Federal Programs Coordinator Office of Management and Budget Office of the Governor Saipan, MP 96950 Telephone: (670) 664-2256 FAX: (670) 664-2272 omb.jseman@saipan.com
VIRGIN ISLANDS Ira Mills Director, Office of Management & Budget # 41 Norregade Emancipation Garden Station, Second Floor Saint Thomas, Virgin Islands 00802 Telephone: (340) 774-0750 FAX: (787) 776-0069 Irmills@usvi.org	

Changes to this list can be made only after OMB is notified by a State's officially designated representative. E-mail messages can be sent to grants@omb.eop.gov. If you prefer, you may send correspondence to the following postal address:

Attn: Grants Management
Office of Management and Budget
New Executive Office Building, Suite 6025
725 17th Street, NW
Washington, DC 20503

**U.S. DEPARTMENT OF EDUCATION
WASHINGTON, D.C. 20202-4725**

**OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300**

DATED MATERIAL -- OPEN IMMEDIATELY